



To: NHS Board Chief Executive Officers

Dear Colleagues,

## Guidance on Reimbursement of 'Out of Pocket' Expenses for Volunteers within NHS Scotland

### Summary

1. CEL 23 (2011) issued in September 2011 provided guidance on Reimbursement of 'Out of Pocket' Expenses for Volunteers in NHS Scotland. **This letter and the attached guidance, update and replace CEL 23 (2011).**

2. The Annex to this letter provides guidance which has been developed following a review with Healthcare Improvement Scotland-Community Engagement (HIS-CE) Volunteering in NHS Scotland Programme, of the current arrangements within NHS Boards across Scotland.

3. The revised guidance has been developed in line with expense rates (with the exception of mileage rates, see section 5 below) payable to NHS Scotland staff as stated in the NHS handbook [NHS Terms and Conditions of Service Handbook \(Scottish edition\)](#) (Section 18: Subsistence Allowances).

4) The revised guidance sets out mileage allowance rates for volunteers, including those who drive as part of their volunteering duties.

### Mileage Allowance: Approved Mileage Allowance Payments (AMAP)

5. Mileage allowances reflect HM Revenue and Customs (HMRC) current [Approved Mileage Allowance Payments \(AMAP\)](#) applicable from tax year 2011 to 2012 to present date. These apply to cars and vans, motorcycles and bicycles.

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6<sup>th</sup> October 2022

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### Addresses

#### For action

NHS Board Chief  
Executives,  
NHS Board Chairs

HIS-CE Volunteering in  
NHSScotland  
Programme,  
NHS Scotland  
Volunteering Advisory  
Board, Chair

#### For Information

SG Health Finance  
SG Health Workforce  
SG Third Sector

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6. Where payments to volunteers exceed the amount due under [AMAP](#), there may be a tax charge on the difference incurred by volunteers (see section 7 below).

7. The guidance applies to volunteer drivers. HMRC sets out that volunteers are only liable to pay tax on payments received in excess of expenses incurred and therefore result in a profit. Volunteer drivers do not need to pay National Insurance contributions on profits made from volunteer driving.

8. It is the responsibility of the volunteer driver (a volunteer who drives as part of their volunteering duties) to keep a record of their costs and calculate whether any profit is made. Guidance is available here: [Check if you need to pay tax on mileage payments as a volunteer driver](#)

### **Motor Mileage Rates, Public Transport (or Commuting) Rate.**

9. Volunteers should be encouraged to use public transport to and from their place of volunteering where possible. There is no HMRC approved commuting rate. It is at the discretion of individual NHS boards to set a rate. This amount is payable where volunteers use their private motor vehicle to commute from their home to the place of volunteering and should only cover the cost of fuel. NHS Boards should revise and update this rate annually. Boards are encouraged to take an inclusive approach to supporting volunteering, to allow everyone to access the benefits of being an NHS Volunteer.

### **Action**

10. Chief Executives should ensure this letter and the revised guidance are brought to the attention of, and implemented by, all appropriate staff and in particular are asked to ensure that:

- the NHS board's written policy/document on the payment of 'Out of Pocket' expenses for volunteers is revised on the basis of the attached guidance
- the revised travel, subsistence and other expense rates shown in the guidance, should be used to guide local decision making in the reimbursement of expenses for volunteers
- budget holders, volunteer strategic leads and volunteer managers are made aware that decisions on rates of expense reimbursement, including mileage, are at the discretion of individual NHS boards.

Yours sincerely,



Linda Pollock,  
Interim Director, Healthcare Quality and Improvement





**Guidance on  
Reimbursement of 'Out of Pocket' Expenses for Volunteers in  
NHSScotland**

## **Section 1. Travel and Subsistence**

### **1. General Information**

- 1.1 An NHS Volunteer – definition
- 1.2 Written Policy for payment of out of pocket expenses

### **2. Travel tickets, Bus, Taxi, Car Parking, Toll Charges etc**

### **3. Travel by Private Motor Car, Motor Cycle or Bicycle**

- 3.1 Mileage allowances
- 3.2 Motor vehicle insurance
- 3.3 Volunteers liability

### **4. Subsistence Allowances**

- 4.1 Volunteers entitlement to subsistence allowances
- 4.2 Day Subsistence Allowance
- 4.3 24 hour Subsistence Allowance
- 4.4 Night allowance in non-commercial accommodation

### **5. Timescales and Payment Types**

- 5.1 Timescales
- 5.2 Advances and Cash Payments

## **Section 2. Communication/computer expenses**

### **Section 3. 'Other' Expenses**

(Includes: Childcare or carer costs; and  
Additional expenses of disabled people)

### **Annex A Rates of Subsistence, Travel and other expenses**

## **Section 1. Travel and Subsistence**

### **1. General Information**

#### **1.1 A Volunteer – Definition**

An NHS volunteer is defined as a “person who gives freely and willingly of their time to help improve the health and wellbeing of patients, carers and users of the NHS in Scotland”. This guidance is intended to provide a consistent basis for the payment of expenses for volunteers who support and are under the supervision of NHS staff as part of a range of managed voluntary services/activities. The guidance also applies to volunteers who participate in patient focus or public involvement activities. This includes individuals who incur expenses as a result of participating in relevant activities to which they have been invited by the NHS Board e.g. workshops, focus groups, committees, working groups.

#### **1.2 Written Policy for Payment of ‘Out of Pocket’ Expenses for volunteers**

Each NHS Board is required to have a written policy for the payment of ‘out of pocket’ expenses for volunteers. The policy, which should be reviewed and updated annually, must be available in the induction pack for volunteers. The policy must provide clear advice on the reimbursement process, which should be consistent across the NHS Board area and ensure that payments are made promptly to ensure low income volunteers are not disadvantaged.

The general principles, in the payment of reasonable travel and other expenses for volunteers, are that:

- no volunteer should be out of pocket as a result of his/her volunteering activity; and
- reimbursement is not appropriate **unless actual expense** is incurred in the course of the volunteering.

### **2. Travel Tickets, Bus, Taxi, Car Parking, Toll Charges etc: Receipts**

Volunteers should be encouraged to use public transport to and from their place of volunteering where possible, in accordance with guidance around the use of public transport which may be in place at the time. Reimbursement of the costs of travel tickets, car parking charges, toll charges, bus, underground, ferry or taxi fares (where prior approval for use of a taxi has been given) should also be made. Appropriate receipts, used tickets or ticket stubs must be submitted with a claim.

### **3. Travel by Private Motor Car, motor cycle or bicycle**

#### **3.1 Mileage allowances**

The mileage allowances for travel by private car, motor cycle and bicycle are shown in Annex A. There are two levels of car mileage allowances and volunteers should be advised, as part of their induction, which rate may apply in reimbursement of their travel costs

##### **3.1.1 Public Transport (or Commuting) Rate**

Volunteers should be encouraged to use public transport to and from their place of volunteering where possible. There is no HMRC approved commuting rate. It is at the discretion of individual NHS boards to set a rate. This amount is payable where volunteers

use their private motor vehicle to commute from their home to the place of volunteering and should only cover the cost of fuel. NHS Boards should revise and update this rate annually. Boards are encouraged to take an inclusive approach to supporting volunteering, to allow everyone to access the benefits of being an NHS Volunteer.

### **3.1.2 Standard Mileage Allowance**

The 'standard mileage allowance', which takes motoring costs such as insurance and road tax into account, is payable when volunteers use their private motor vehicle for volunteering duties e.g. volunteer drivers; or volunteers who use their own cars in direct connection with their volunteering and therefore incur business miles.

Standard Mileage Allowance rates should be paid to volunteers who:

- drive their own private motor vehicles (including motor cycles) as defined below in connection with their volunteering duties but subject to the limitations set out elsewhere in this Section; and
- meet the insurance requirements set out below.

### **3.1.3 Passenger mileage allowance**

Annex A also includes a passenger mileage rate payable to volunteers in certain circumstances. Payment of this allowance will apply:

- (a) where volunteers carry other volunteers to the place of volunteering or if attending training or meetings etc. in the same way as this is applied when staff carry other staff as passengers (*this is in line with the current guidance and with payments to staff*;
- (b) The above is based on 5 pence for every passenger transported in a volunteer's vehicle. This is independent of the mileage allowance a volunteer receives from the voluntary organisation and should not be included in any of the calculations.

## **3.2 Motor Vehicle Insurance**

Volunteers involved in managed volunteering activities using their private motor vehicle or a vehicle owned by a spouse or partner on volunteering business, must satisfy certain insurance conditions in order to claim the motor mileage allowance.

**It is the responsibility of the volunteer to ensure that their vehicle insurance policy covers the risks set out below.**

It is best practise for NHS Boards to verify that volunteers are covered by appropriate vehicle insurance and Ministry of Transport (MOT) test certificate (where applicable) at induction and on an annual basis thereafter.

Motor mileage allowance will be payable only if the insurance and MOT conditions are fulfilled.

Volunteers using their private motor vehicle or a vehicle owned by a spouse or partner on volunteering work must have motor vehicle insurance without financial limits covering the following:

- bodily injury to or death of third parties;
- bodily injury to or death of any passenger; and
- damage to the property of third parties.

The insurance policy must specifically cover the use of the vehicle on volunteering business. In addition, the volunteer must ensure that the vehicle has a current MOT test certificate, (where applicable).

### **3.3 Volunteers' Liability**

When using their vehicles in the performance of their duties, volunteers must ensure they possess a valid driving license, Ministry of Transport test (MOT) certificate and motor insurance which covers business travel, that he or she is fit to drive and drives safely and that they obey the relevant laws e.g. speed limits. **The volunteer must inform the allocated NHS board staff member (Volunteer Manager or equivalent) of a status change.**

## **4. Subsistence allowances**

### **4.1 Volunteers entitlement to subsistence allowances**

Subsistence allowances are designed to cover reasonable **out of pocket expenses** spent mainly on meals, other minor personal incidental expenses and accommodation. This will include reimbursement of expenses incurred by volunteers when they attend training events in connection with their volunteering work. Annex A. gives details of the current subsistence rates as dated. However boards are encouraged to check and confirm any amendments to these rates as part of the annual volunteer 'out of pocket' expense rate review.

### **4.2 Day Subsistence Allowance**

Day subsistence allowance up to the amounts shown in Annex A is payable when the volunteer meets the prescribed minimum periods detailed below and has actually incurred an additional 'out of pocket' expense to purchase a meal, or meals in the course of their volunteering activity:

- day subsistence over 5 hours payable for a period of volunteering of more than 5 hours but less than or equal to 10 hours; or
- day subsistence over 10 hours for a period of volunteering of more than 10 hours.

This is not an automatic payment and relates only to the reimbursement of expenses incurred up to the rates shown in Annex A. Volunteers should be asked to provide receipts to verify their claims, but it should be recognised that this may not always be possible and staff should consider claims where it is reasonable to expect the volunteer to have incurred expense. No subsistence is payable where the volunteer is provided with meals or meal vouchers by the NHS Board.

### **4.3 24 hour Subsistence Allowance**

The 24 hour subsistence allowance covers a period of up to 24 hours and includes expenditure on overnight accommodation and breakfast, lunch and dinner and personal incidental expenses (e.g. personal telephone calls). Bed and breakfast costs must be supported by a receipt attached to the travel and subsistence claim. Overnight accommodation costs should be agreed in advance.



#### 4.4 Staying With Friends Allowance

If an overnight stay is necessary in the course of the volunteering and the volunteer resides overnight with, and in accommodation provided by friends or relatives, irrespective of the circumstances, they can claim the 'Staying with Friends Allowance'. This allowance is a 24 hour rate designed to cover accommodation and all meals in the 24 hour period starting when the journey commenced. Receipts are not required to be produced to support a claim for this allowance. Volunteers are also allowed to claim the personal incidental expenses allowance in addition to this allowance if expenses are incurred.

### 5. Timescales and Payment methods

#### 5.1 Timescales

Claims should normally be submitted within a month and no later than three months after the volunteering activity to which it relates.

#### 5.2 Advances and Cash Payments

NHS Boards should make provision, where it is considered appropriate, for an advance of expenses to individual volunteers to cover anticipated travel and subsistence expenses. These advances can, if requested, be paid by Electronic Transfer into the volunteer's bank account. Volunteers should then complete and submit a travel claim form showing the actual expenses and the advance received as soon as possible following the travel.

### Section 2. Communication/consumable expenses.

On production of receipts, volunteers should, where agreed in advance, and where the costs are specifically incurred as a requirement of their volunteering activity, be reimbursed. (ink cartridges, paper, labels, envelopes, telephone calls and stamps).

### Section 3. "Other" Expenses

Volunteers can also claim the "other" expenses detailed in the table below.

Expenses (Other)	Eligibility
Reimbursement of receipted childcare expenses (subject to ceiling equivalent to the current hourly childminding rate paid by the local authority) or other carer expenses	All volunteers who incur such expenses while undertaking volunteering duties.
Reimbursement of reasonable expenses incurred by disabled people.	All disabled volunteers who incur such additional expenses while undertaking volunteering duties.

## Annex A

**Travel and Subsistence Rates** – NHS Terms and Conditions of Service Handbook (Scottish Edition, Annex 14,)

[NHS Terms and Conditions Handbook \(Scottish Edition\): Subsistence allowances](#)

### Subsistence Rates

<b>1. Day Meals Subsistence Allowance</b>	
Lunch allowance (more than five hours away from base, including the lunchtime period between 12:00 pm to 2:00 pm) Not payable if meals are provided.	£ 5.00
Evening meal allowance (more than ten hours away from base and return after 7:00 pm) Not payable if meals are provided	£ 15.00
<b>2. 24 hour Subsistence <sup>1</sup></b>	
Receipted cost of bed and breakfast up to a limit of (Boards may need to apply discretion and reimburse actual cost – this will depend on costs of B&B available)	£ 55.00
plus meals allowance, per 24 hour period	£ 20.00
plus personal incidental expenses allowance (e.g. telephone calls etc)	£ 4.20
<b>3. Night allowance in non-commercial accommodation <sup>1</sup></b>	£ 25.00

### Motor Mileage Rates:

<b>1. Public Transport (or Commuting) Rate</b>	Volunteers should be encouraged to use public transport to and from their place of volunteering where possible. There is no HMRC approved commuting rate. It is at the discretion of individual NHS boards to set a rate. This amount is payable where volunteers use their private motor vehicle to commute from their home to the place of volunteering and should only cover the cost of fuel. NHS Boards should revise and update this rate annually. Boards are encouraged to take an inclusive approach to supporting volunteering, to allow everyone to access the benefits of being an NHS Volunteer.
<b>Standard Motor Vehicle Mileage<sup>2</sup></b>	45p per mile for the first 10,000 miles and 25p thereafter <sup>2</sup>

<sup>1</sup> Only payable when overnight stay required.

<sup>2</sup> Based on the HM Revenue and Customs Approved Mileage Allowance Payment rate [Approved Mileage Allowance Payments \(AMAP\)](#)



	<b>Passenger Allowance<sup>2</sup></b>	Volunteer drivers can be reimbursed an additional 5p per passenger per business mile without liability to Income Tax and NICs for carrying passengers who are being transported as part of the voluntary service.
2.	<b>Motor Cycle Mileage</b>	24p per mile
3.	<b>Bicycle</b>	20p per mile

### Public Transport costs - Actual

### Other Expenses:

Volunteers can also claim “other” expenses detailed in the table below.

	<b>Expenses (Other)</b>	<b>Eligibility</b>
1.	Reimbursement of receipted childcare expenses (subject to ceiling equivalent to the current hourly childminding rate paid by the local authority) or other carer expenses	All volunteers who incur such expenses in the course of their volunteering duties.
2.	Reimbursement of reasonable expenses incurred by people with disabilities.	All disabled volunteers who incur such additional expenses while undertaking volunteering duties

**END**

