



To: NHS Board Chief Executive Officers

Dear Colleagues,

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

Summary

1. The Annex to this letter provides guidance on the Reimbursement of 'Out of Pocket' Expenses for Volunteers in NHS Scotland. **This letter and the attached guidance, updates and replaces DL (2022) 34** which was issued on 6th October 2022. DL (2022) 34 had replaced CEL 23 (2011), which had contained previous guidance on this matter.

2. The guidance attached to DL (2022) 34 was informed by a review with NHSScotland Volunteering Advisory Board and the Scottish Government, of the arrangements that were in place within NHS Boards across Scotland. DL (2022) 34 was 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).

3. This letter and annexed guidance builds on the earlier work to review CEL 23 (2011), making changes to DL (2022) 34 to reflect a further review by the NHSScotland Volunteering Advisory Board and the Scottish Government of expenses relating to travel to and from the place of volunteering.

4. This letter and guidance updates DL (2022) 34 by making marginal changes to the guidance wording, combined with the removal of different rates for travel to and from the place of volunteering featured in Annex A Motor Mileage Rates.

Mileage Allowance: Approved Mileage Allowance Payments (AMAP)

5. Mileage allowance rates apply where a volunteer drives or uses a motorcycle or bicycle to travel as part of their

DL (2023) 29

14 November 2023

Addresses

For action

NHS Board Chief Executives,
NHS Board Chairs

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

For Information

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volunteering duties. This includes travel to and from the volunteer's place of volunteering.

6. When considering mileage allowances, NHS boards are required to set rates that reflect HM Revenue and Customs (HMRC) current [Approved Mileage Allowance Payments \(AMAP\)](#) applicable from tax year 2011 to 2012 to present date. Rates are specified for travel by car, van, motorcycle and bicycle.

7. Where payments to volunteers exceed the amount received under [AMAP](#), there may be a tax charge on the difference incurred by volunteers- i.e. on a profit (see section 7 below). 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 appropriate records for tax purposes and to 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, Travel to and from Place of Volunteering Rate.

9. Volunteers should be encouraged to use public transport to and from their place of volunteering where possible. There is no HMRC approved rate for travel to and from the place of volunteering. 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. 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 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,



John Burns
Chief Operating Officer NHS Scotland

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

Section 1. Travel and Subsistence

1. General Information

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(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 their volunteering; 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

There are different mileage allowances and Volunteers should be advised, as part of their induction, of the rate which applies in reimbursement of their travel costs.

3.1.1 Travel to and From the Place of Volunteering Rate

Volunteers should be encouraged to use public transport to and from their place of volunteering where possible. There is no HMRC approved rate for travel to and from the place of volunteering. 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 travel from their home to the place of volunteering. 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 vehicle for volunteering duties e.g. volunteer drivers; or volunteers who use their own vehicles 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 and bikes) 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

Passenger mileage rate may be 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 the volunteer 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. Examples include 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

1. Day Meals Subsistence Allowance	
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
2. 24 hour Subsistence ¹	
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
3. Night allowance in non-commercial accommodation ¹	£ 25.00

Motor Mileage Rates:

1. Travel to and from Place of Volunteering	<p>Volunteers should be encouraged to use public transport to and from their place of volunteering where possible. There is no HMRC approved travel to and from place of volunteering rate. It is at the discretion of individual NHS boards to set a rate.</p> <p>This amount is payable where volunteers use their private motor vehicle to travel to and from their home to the place of volunteering. 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.</p> <p>Standard Motor Vehicle Mileage Rates can be found at the HMRC website.</p>
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¹ Only payable when overnight stay required.

2.	Passenger, Motorcycle and Bicycle Rates	Guidance on these allowance rates can be found at the HMRC website .
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Other Expenses:

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2.	Reimbursement of reasonable expenses incurred by people with disabilities.	All disabled volunteers who incur such additional expenses while undertaking volunteering duties

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