

Understanding business mileage and work base classification for tax purposes

NHSBT is required to apply HMRC regulations to expenses payments made. This broadly summarises the HMRC definition of permanent and temporary work bases which will apply irrespective of the base in your contract of employment.

1. Business mileage and other expenses can only be claimed when you are working at a temporary workplace.
2. **Temporary workplaces** are sites/places you travel to when you undertake work which is temporary in nature.

Examples of this include PDPRs, meetings with individuals (return to work discussions etc.), management meetings/reviews and ad-hoc meetings (for planning /testing/ improvement events), and cover for absent colleagues.

Not included are regular, routine management duties and any routine work which you would normally, or otherwise, undertake at your normal place of work (unless this is a 'side activity' during a day when temporary duties **are** undertaken).

3. **Blood Collection** mobile sessions are temporary in nature and take place at temporary workplaces.
4. A **permanent workplace** is your normal place, or places, of work. Most people only have one base but it is possible to have more than one if you regularly undertake your routine work across more than one site (see 6 below).
5. Business mileage and other expenses cannot be claimed for travel to a Permanent workplace.
6. You will have **more than one** permanent workplace if you regularly undertake routine work across more than one site. This will apply for routine work which is:-
 - Regular (a fixed day(s) each week/month) e.g. Liz works *every* Monday, Tuesday and Wednesday in Exeter and *every* Thursday and Friday in Bristol.
 - Varies (the days vary from week to week or month to month) but at least 40% of your time is spent on any particular site. E.g. Fred works primarily in Liverpool but spends an average of 5 weeks in 12 weeks in Manchester doing his routine work.

7. **If you are Seconded and/or working at a different site** (or regional area) permanently or for a fixed period of time you may also have more than one permanent workplace if you are there regularly or for more than 40% of your time.

The new/different workplace will become a permanent workplace when:-

- The work you are doing there is expected to last more than 24 months (the workplace is permanent right from the start if this is expected to last more than 24 months).
- From the point it is known (by NHSBT) that your work there will go beyond 24 months even if the initial term was shorter. E.g. if after 12 months it is decided that you will be working there for a total of 30 months, then the workplace immediately becomes a permanent workplace.
- We cannot ignore the fact, or 'pretend', that the work will last less than 24 months to avoid the workplace being permanent from the beginning or the point that this is known.

The new/different workplace will only be temporary when:-

- The work you are doing there will last less than 24 months (the workplace is permanent right from the start if this is expected to last more than 24 months).
- Until it is decided that your work there will go beyond 24 months even if the initial term was shorter. E.g. if after 12 months it is decided that you will be working there for a total of 30 months, then the workplace immediately becomes a permanent workplace.

8. When you travel from home direct to a **temporary** workplace you must record the journey steps accurately reflecting this in expenses. Expenses will automatically calculate the home to base mileage reduction laid down by the terms and conditions and apply this to your claim.

9. Home to permanent base travel is reimbursed only for:-

- Excess travel costs/mileage when, due to organisational change, NHSBT changes your work-base (or geographical area)
- Recall to work may be claimed if you are called in when you are on call or to work overtime.

Both these payments are taxable and will be taxed when paid.

10. Lease car drivers who claim reimbursement for any type of home to permanent base mileage will incur a fuel scale tax charge. This fuel scale tax charge is based on a fixed benefit level. It is likely that any claims will leave the claimant worse off. Individuals are advised to seek advice before making a claim.