

Ref: DPE126/004/2015

6<sup>th</sup> March 2017

## **Circular 05/2017: Motor Travel Rates**

A Dhuine Uasail

1. I am directed by the Minister for Public Expenditure and Reform to say that he has accepted an agreed recommendation of the General Council under the scheme of Conciliation and Arbitration for the Civil Service in regard to a general review of the arrangements applying to motor mileage rates for civil servants.

### **Revised Arrangements**

2. The previous system of rates and mileage bands in place since January 1999 has been reviewed in the context of modern motoring needs and conditions. The revised rates are based on a methodology that reflects changes in technology, road conditions, commuter behaviour, and car ownership patterns.

Some of the key changes made to the formula include:

- a. An increase in the number of distance bands from two to four allowing a more nuanced compensation regime focused on officers who do significant work related driving;
- b. A lower recoupment rate for the first 1,500km;
- c. An increased recoupment rate from 1,501km to 5,500 focussed on officers who do significant work related driving;
- d. More beneficial compensation rates for cars with lower engine sizes and emissions;
- e. The formula for calculating mileage now assumes an officer replaces their car every four years rather than every three years.
- f. The Government's National Policy on Climate Action commits to the development of a cost effective policy for reducing carbon emissions and increasing efficiency within the transport sector. The importance of encouraging officers to choose more environmentally-friendly vehicles and methods of travel is noted and future arrangements will move progressively in this direction in subsequent revisions of the mileage formula.

3. Details of the new arrangements are set out in Appendix 1 of this Circular and will apply from 1<sup>st</sup> April 2017.
4. The amount of mileage accumulated by officers between 1st January 2017 and 1st April 2017 will not be altered by the introduction of these new bands and rates. Mileage to date will, however, count towards aggregated mileage for the year.  
For example, an officer driving a car in the '1200-1500cc' engine size who had claimed 1,400km on 1st April 2017 would then move to the new Band 1 and receive 39.86 cent per kilometre. Once they have driven a further 100km, they would then move to Band 2 and receive 73.21 cent per kilometre.
5. All mileage claims in respect of the period 1<sup>st</sup> January 2017 to 31<sup>st</sup> March 2017 should be made **before** 31<sup>st</sup> March 2017.
6. The rates listed in the Appendix to this Circular will be locked in for a period of three years. It is this Department's intention that any future review of this formula will include a five year replacement rate, in order to take account of increased efficiencies and improvements in motor technology.
7. Payment of the rates authorised in this Circular will be subject to the regulations issued in Circular 11/1982 and any other instructions in force from time to time.
8. Heads of Departments should continue to ensure that only essential travel is undertaken and that the number of officers on any official journey is kept to the absolute minimum.
9. This circular should be brought to the attention of all bodies under the aegis of your Department or Office and all officers in your Department or Office who are responsible for travel.
10. **Personal enquiries from individual officers should be addressed to the Personnel Unit of the employing Department/Office.** Any enquiries about this Circular from Departments should be emailed to [Travel.Policy@per.gov.ie](mailto:Travel.Policy@per.gov.ie). This Circular is also available on the Department's website at [www.circulars.gov.ie](http://www.circulars.gov.ie).

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Colin Menton  
Assistant Secretary

To/All Departments etc.

**Motor Travel Rates 2017**

Effective from 1<sup>st</sup> April 2017

**Motor Travel Rates per kilometre**

Distance Bands		Engine Capacity up to 1200cc	Engine Capacity 1201cc to 1500cc	Engine Capacity 1501cc and over
Band 1	0 – 1,500 km	37.95 cent	39.86 cent	44.79 cent
Band 2	1,501 – 5,500 km	70.00 cent	73.21 cent	83.53 cent
Band 3	5,501 – 25,000 km	27.55 cent	29.03 cent	32.21 cent
Band 4	25,001 km and over	21.36 cent	22.23 cent	25.85 cent

**Reduced Motor Travel Rates per kilometre**

Engine Capacity up to 1200cc	Engine Capacity 1201cc to 1500cc	Engine Capacity 1501cc and over
16.59 cent	17.63 cent	18.97 cent