NNDC Mileage Rates	
Executive Summary	This report outlines the implications for NNDC of the Government's decision to increase the HMRC tax-free mileage allowance by 10p to 55p per mile. Current NNDC mileage rates have remained unchanged for a significant period, with casual car users receiving 52.2p per mile and essential car users and members receiving 45p per mile. The report sets out a recommendation to increase casual user rates to 55p and uplifting essential user and member rates by an equivalent 2.8p
Options considered	1. To maintain current NNDC mileage rates 2. To increase all casual users to 55 pence per mile 3. To increase all casual users to 55 pence per miles and essential users and members by an equivalent amount (2.8p) per mile 4. To increase all casual and essential users and members to 55 pence per mils
Consultation(s)	This proposal had been discussed at CLT the Constitution Working Party
Recommendations	To approve option 3 to increase all casual users to 55 pence per mile and essential users and members by an equivalent amount (2.8p) per mile
Reasons for recommendations	To
Background papers	N/A

Wards affected	N/A
Cabinet member(s)	Cllr Tim Adams Cllr Lucy Shires
Contact Officer	Susan Sidell, HR Manager, susan.sidell@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	N/A
Medium Term Financial Strategy (MTFS)	N/A
Council Policies & Strategies	Travel Policy

Corporate Governance:

Is this a key decision	Yes / No
Has the public interest test been applied	Is the item exempt, if so, state why.
Details of any previous decision(s) on this matter	CLT – 16.06.2026 Constitution Working Party – 30.06.2026

1. Purpose of the report

The report seeks to outline proposals in relation to NNDC mileage rates following the government announcement to increase the tax-free mileage allowance by 10p to 55p per mile.

2. Introduction & Background

2.1. The current mileage rates as stated below have been in place since 2010 for casual car users and 2017 for essential car users.

Casual Car user – 52.2p per mile
Essential Car user – 45p per mile
Members - 45p per mile

Please note the essential car user mileage allowance is in addition to the essential car user lump sum which is paid at the NJC agreed rate of £963.

2.2. The previous essential car user mileage rate was set at 40.9p which is the agreed NJC rate, however as this is below the HMRC tax free rate employees are able claim a tax refund on any mileage paid at this rate. Previously this amount was offset against the lump sum payment through payroll, however on further investigation this is now not an option.

3. Proposals and Options

3.1. Increase casual car user allowance to 55p per mile and essential car user and member allowances by an equivalent amount (2.8p), on last year's mileage claim value this would be a cost to the Council of **£4,267.34** as below

- Casual Car User - £591.33
- Essential Car User - £3,182.34
- Members - £493.67

Increase Casual Users mileage to 55p per mile and Essential users / Members to 47.8p per mile (7.2p less than Casual Users, as per current rates)

Overall Increase	**6.09%**	**Actual**		**Option 3**		**Difference**
	Miles	**Rate**	**£**	**Rate**	**£**	
Essential Users	113,655	0.45	£51,144.75	0.478	£54,327.09	£3,182.34
Casual Users	21,119	0.522	£11,024.12	0.55	£11,615.45	£591.33
Members	17,631	0.45	£7,933.95	0.478	£8,427.62	£493.67
TOTAL			**£70,102.82**		**£74,370.16**	**£4,267.34**

Please note the essential car user mileage allowance is in addition to the essential car user lump sum which is paid at the NJC agreed rate of £963.

3.2. Please note the above rates will apply equally to petrol, diesel, hybrid and privately owned electric vehicles (EVs). There is no separate HMRC approved rate for EVs

3.3. For EVs that are leased the HMRC Advisory fuel rates (AFRs) are used in order to determine the correct taxation on any mileage paid. Please note this rate is different dependent on whether the charging is carried out at home or at a public charger. The table of rates is provided by HMRC and is updated on a quarterly basis. Mileage will be paid at the above agreed rates.

3.4. For officers eligible for the essential car user rate and members for any mileage claimed below the HMRC Approved Mileage Allowance Payment (AMAP), Mileage Allowance Relief (MAR) can be claimed via HMRC by the employee.

4. Corporate Priorities

4.1. N/A

5. Financial and Resource Implications

5.1. Please see above table of costings.

5.2. Any increase in costs will be covered through existing agreed budgets.

5.3. Where possible, officers will be encouraged to make use of the NNDC EV pool cars.

Comments from the S151 Officer:

The increase in mileage rates is in line with the temporary changes made by HMRC and backdated to 1 April 2026.

Managers and their officers are encouraged to use NNDC's fleet of fully electric vehicles for business travel.

6. Legal Implications

6.1. There are no anticipated Legal Implications.

Comments from the Monitoring Officer

The Monitoring Officer (or member of the Legal team on behalf of the MO) will complete this section*. They will outline any legal advice provided.*

The recommendations in this report were shared with the Constitution Working Party. The report seeks to make changes to mileage rates to ensure that amounts align with HMRC rates and are applied consistently to employees and

Members. As this will result in additional spend, budgets for such may need to be identified.

7. Risks

7.1. There are no anticipated risks.

8. Net ZeroTarget

8.1. There are no planned changes to the Travel Policy which encourages use of the EV Pool Cars and states,

"If a pool car was available for a journey and it was reasonable and practicable to arrange your journey to use that car – and you did not use it – then your mileage claim may not be approved."

9. Equality, Diversity & Inclusion

9.1. N/A

10. Community Safety issues

10.1. N/A

Conclusion and Recommendations

To accept and approve the recommendation of CLT in relation to an increase to mileage rates of casual and essential users, as well as that of members by 2.8 pence per mile.