



Borough of Telford and Wrekin

Personnel Committee

Friday 3 July 2026

HR Matters

Cabinet Member:	Cllr Zona Hannington – Cabinet Member: Finance and Resident Services
Lead Director:	Michelle Brockway – Director: Finance, People and IDT
Service Area:	Finance, People and IDT
Report Author:	Hannah Preece – Head of Human Resources & Organisational Development
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Wards Affected:	None
Key Decision:	Not Key Decision
Forward Plan:	Not Applicable
Report considered by:	Personnel Committee – 3 July 2026 Full Council – 16 July 2026

1.0 Recommendations for Decision/Noting

It is recommended that Personnel Committee:

- 1.1 Endorses the proposed increase in essential user mileage rates from 36.9p to 45.1p backdated to April 2026 and recommend to Full Council for approval; and
- 1.2 Recommends to Full Council the updated Pay Policy Statement as attached at **Appendix A** to this report.

2.0 Purpose of Report

- 2.1 The purpose of this report is to seek approval to increase essential user mileage rates in line with the recent increase in HMRC mileage rates for business miles and to ask Personnel Committee to recommend the updated Pay Policy Statement to Full Council.

3.0 Background

- 3.1 On 21 May 2026 the national HMRC mileage rate for business miles up to 10,000 was increased from 45p to 55p per mile, backdated to 1 April 2026. This is the first rate change to the HMRC rates for more than 15 years and will affect Council employees who are required to use their personal vehicles for work purposes on a casual basis (“casual car users”).
- 3.2 A separate locally agreed rate for essential car users - those employees who it is considered essential that they utilise their vehicles to fulfil their role - is paid by the Council; this report proposes an increase to the essential car user rate in line, on a proportionate basis, with the HMRC increase. This ensures equity in terms and conditions for mileage payments across our workforce.
- 3.3 On a separate matter, this report is seeking agreement from the Personnel Committee to recommend the amended Pay Policy Statement as attached at **Appendix A** which makes changes to ensure business resilience when dealing with staffing matters.

4.0 Summary of main proposals

- 4.1 The Council’s current mileage rate for essential car users is 36.9p per mile (82% of the 45p HMRC rate). It is proposed to increase this rate in line with this approach by 8.2p to 45.1p per mile (82% of the new 55p HMRC rate). This will be backdated to 1 April 2026, again to align with the changes made on a national level for casual car users.
- 4.2 This change will ensure that essential car users are not financially disadvantaged and that the Council remains consistent with its mileage framework, while also supporting recruitment and retention in roles requiring regular business travel.
- 4.3 The second matter that the Personnel Committee is asked to consider is some minor amendments to the Pay Policy Statement, attached at **Appendix A**. These changes extend delegations to make decisions in relation to staffing matters to the s.151 Officer and Monitoring Officer, in consultation with the Leader or Deputy Leader. This allows for resilience across the organisation should it be needed.

5.0 Alternative Options

- 5.1 There is an option to do nothing and leave essential user mileage rates at 36.9p, however, this would mean that staff who are required to make their car available for business purposes are financially disadvantaged compared to those who are casual users.
- 5.2 Similarly, it is open to the Committee not to recommend the amended Pay Policy Statement to Full Council, but this would mean that all decisions would fall to the Head of Paid Service and would leave the Council in a position where there is no business resilience to deal with any matters arising.

6.0 Key Risks

6.1 The key risks are limited. If the proposed increase is not approved, essential car users may be financially disadvantaged compared with casual users following the increase in HMRC mileage rates. This could create employee relations, fairness, recruitment and retention risks for roles requiring regular business travel. There is also a financial risk that actual mileage claims may exceed the estimated additional cost of £28k, although this is expected to be managed within existing budgets. There are no risks associated with the proposed amendments to the Pay Policy Statement.

7.0 Council Priorities

7.1 This proposal supports the Council's priorities by helping to ensure that services remain effectively resourced and that employees who are required to travel regularly for work are reimbursed fairly and consistently. Maintaining appropriate mileage rates supports workforce stability, recruitment and retention, and contributes to the Council's ability to deliver services efficiently across the borough.

8.0 Financial Implications

8.1 The additional cost of the increase in mileage rates for essential users is estimated to be in the region of £28k. This will be met from existing budgets.

9.0 Legal and HR Implications

9.1 The Terms of Reference for the Personnel Committee provide that it is responsible for considering matters relating to locally agreed terms and conditions. The updated mileage rates, to align with changes made on a national basis, fall within the remit of the Committee.

9.2 Under the Localism Act 2011, Full Council is required to approve the Pay Policy Statement. The Terms of Reference for Personnel Committee provide that it considers the Pay Policy Statement prior to consideration by Full Council.

10.0 Ward Implications

10.1 There are no impacts on specific wards

11.0 Health, Social and Economic Implications

11.1 If the revised essential user rate is agreed then staff who currently claim essential user mileage will benefit from the increased mileage rate which will cover increased fuel costs.

12.0 Equality and Diversity Implications

12.1 There are no Equality & Diversity implications directly arising from this report.

13.0 Climate, Biodiversity and Environmental Implications

13.1 The Council is working towards becoming carbon neutral by 2030 and continues to monitor the level of emissions from vehicles across the Borough.

14.0 Background Papers

14.1 None.

15.0 Appendices

A Pay Policy Statement 2026/27

16.0 Report Sign Off

Signed off by	Date sent	Date signed off	Initials
Director	23/06/2026	23/06/2026	MLB
Finance	23/06/2026	23/06/2026	MLB
Legal	24/06/2026	24/06/2026	ACL