

08 October 2020

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Tēnā koe James

Your Official Information Act request, reference: GOV-006831

Thank you for your email of 13 September 2020, asking for the following information under the Official Information Act 1982 (the Act):

I'm a little confused so can I please request why the Mileage remuneration has not been reviewed since 2012.

- 1) why is the rate just 29 cents, 40 cents a K less than the IRD amount of 79 cents per K?*
- 2) Why has this not been reviewed since 2012?*
- 3) What is the rate directly employed ACC staff receive for travel in a private car get?*
- 4) Was the allowance changed for support workers changed after the pay equity claim, and what was it changed to?*

ACC mileage rate

The current mileage rate of 29 cents per kilometre for ACC clients was set in 2010. ACC's contribution of 29 cents per kilometre is the maximum it can pay for travel by private vehicle as prescribed under the Injury Prevention, Rehabilitation, and Compensation (Ancillary Services) Regulations 2002. ACC has no ability to pay more than the prescribed rate.

The ACC rate is intended to contribute to the direct costs associated with running a private vehicle, including petrol, oil, tyres, and general maintenance and to a lesser extent, the costs of vehicle registration and insurance.

The Inland Revenue's rate is for self-employed people who use their vehicles for business purposes. It is designed to cover the full costs of owning and running a vehicle and has regard for costs such as licensing, insurance, vehicle depreciation, as well as the day-to-day running costs.

How the mileage rate is set

The ACC mileage rate is set at a similar level to the Ministry of Health's National Travel Assistance payments of 28 cents per kilometre, which reflects general alignment across the broader health system.

The Ministry of Health is currently reviewing the National Travel Assistance (NTA) scheme. Information on this can be found at: <https://www.health.govt.nz/our-work/hospitals-and-specialist-care/national-travel-assistance-scheme/review-national-travel-assistance-policy-2017-2018>. Once this process is completed the outcome may inform any changes in relation to ACC's mileage rates.

Mileage rate paid to ACC staff

In certain circumstances ACC staff can use their private vehicle for ACC business purposes. In these instances, ACC will pay the mileage rate as determined by Inland Revenue up to 14,000 km per year, and then 29 cents per kilometre thereafter.

Effect of the pay equity settlement on mileage paid to support workers

The pay equity settlement was about hourly rates for care and support workers. It did not result in a change to the travel allowance ACC pays to support workers.

Who to contact

If you have any questions, you can email me at GovernmentServices@acc.co.nz.

Nāku iti noa, nā

A handwritten signature in black ink, appearing to read 'Sasha Wood', written in a cursive style.

Sasha Wood

Manager Official Information Act Services
Government Engagement & Support