



Te Tari Taiwhenua Internal Affairs

3 April 2019

Ministerial and Secretariat Services

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Duke of URL

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Dear Duke of URL

Official Information Act request (OIA 18/19-0544)

I refer to your Official Information Act (OIA) request dated 11 March 2019 regarding charge-out rates for Crown cars:

'the charge-out costs by DIA for the various categories of users of Crown VIP cars. This may be but not limited to a daily rate, or fixed charge plus kms used or any other method used, and if vehicle is away from base the overnight charge, is that variable or fixed charge plus actual costs expended or any other method used.

I understand there are 3 home bases (maybe more) for the vehicles, are the charge-outs the same for each base?

I understand the various categories could be but not limited to Governor General office, PMs department, Ministerial services, Parliamentary Services, Ministry of Justice/Courts for Judges etc. Ministry of Foreign Affairs for foreign VIPs etc. If all categories are charged the same rate please indicate so.

If the VIP transport service differs ie Car could be different to a Minivan or other vehicle please provide charge-out cost where this is different

I'm not asking for any amounts paid by the different users for VIP car services, just the DIA information held regarding charge out rates.'

About VIP Transport Services

The Department of Internal Affairs (the Department), via the VIP Transport Service (VIP Transport), provides a safe, secure and professional fleet management and chauffeur service around New Zealand for Ministers, senior officials and other VIPs. VIP Transport operates 24 hours a day, 7 days a week, and covers most of New Zealand. VIP Transport manages the Crown fleet, which is comprised of chauffeur-driven limousines, chauffeur-driven plain vehicles, vans, and Ministerial self-drive vehicles. The service also organises taxis or other private providers where VIP Transport chauffeured cars are either not available or not practical.

Those entitled to use chauffeur-driven vehicles include:

Ministers, visiting dignitaries, heads of state and heads of government, Governors-General, former Governors-General and former Prime Ministers, the Leader of the Opposition, the Speaker and Deputy Speaker of the House, and senior judges.

Entitled users are listed in the Speaker's Directions 2017 and the Ministers' Travel Services within New Zealand Determination 2017; the Members of Parliament (Former Prime Minister's Travel Services) Determination 2017; and, the Members of Parliament Accommodation Services for Members and Travel Services for Family Members Determination 2017.

Ministers are the largest group of entitled users. Clause 2.1 of the Ministers' Travel Services within New Zealand Determination 2017 provides that '*A Minister may use a chauffeur-driven car arranged by VIP Transport at any time for any purpose, at the Minister's discretion.*'

These determinations are publicly available and can be found on the New Zealand Parliament's website at <https://www.parliament.nz/en/pb/parliamentary-rules/directions-determinations/>.

Response to your request

I can advise you that there are currently two charging regimes related to the customer category and the terms agreed with their responsible agency. These rates, which apply irrespective of the location of the depot or the vehicle type, are:

- \$68 per hour (GST exclusive), which also incurs a separate annual availability fee, calculated proportionally against all jobs completed. This is the charging regime applied to a number of users including the Governor General, upper Court Justices, and Ministerial and Secretariat Services (MASS), which administers Ministers' expenses, and includes the Visits and Ceremonial Office which manages visits from overseas dignitaries; and
- \$171 per hour (GST exclusive), which does not incur the annual availability fee. This is the applied charging regime for the Parliamentary Service, that is the Speaker and Deputy Speaker of the House and the Leader of the Opposition. The Parliamentary Service elected to use this rate in 2016.

The hourly rate charged by the Department covers fuel, mileage and staffing costs specific to that trip. In addition to these costs, there are overhead costs such as personnel, depreciation, and capital costs that make up the full cost of providing and maintaining the Crown fleet. These costs are covered by the availability fee or, in the case of the Parliamentary Service, by the higher hourly charge.

If you have any concerns with the decisions referred to in this letter, you have the right to request an investigation and review by the Ombudsman under section 28(3) of the Act.

Yours sincerely



Morag Ingram
General Manager
Ministerial and Secretariat Services