



City of **HOBART**

**MEMORANDUM:**    **LORD MAYOR**  
                          **DEPUTY LORD MAYOR**  
                          **ELECTED MEMBERS**

## **FUEL ALLOWANCE**

**Meeting:** Finance and Governance Committee    **Meeting date:** 17 August 2021

**Raised by:** Lord Mayor Councillor Reynolds

### **Question:**

Under the Elected Members Development and Support Policy, Section K.2 (ii) a maximum allocation of 1,500 litres of fuel per year can be charged on a fuel card each year without having to submit travel details to support this use. In relation to this entitlement:

Can the litres used / claimed be reported as well as the dollar amounts?

What steps are taken to check that fuel is not being used for non-Council business?

Given 1,500 litres is equal to the average amount of fuel used by a vehicle in Tasmania each year, is it appropriate to review whether this may be more fuel than is required to undertake a part-time role as an elected member?

What was the total cost of providing this allowance to elected members in the last 2 financial years?

### **Response:**

As part of the monthly elected member expenses reporting process, elected members are provided with an individual expenses report that contains the remaining amount of fuel litres, along with the remaining amounts of other items that also have annual limits set out in the Elected Member Development and Support Policy. These limits are not currently published as part of the expenses reporting process.

Section 43 of the *Local Government (General) Regulations 2015* provides that an elected member is entitled to be reimbursed for reasonable expenses in accordance

with the policy adopted under Schedule 5 to the Act (Elected Member Development and Support Policy) in relation travel.

In accordance with the Policy, elected members may elect one of the following options in respect of reimbursement for fuel usage:

- (i) Seek the reimbursement of costs through the submission of kilometre claims, which will be paid at the relevant rate per km, as set by the State Public Service, (as also applying to City of Hobart employees), subject to the provision of supporting information including travel date, destination, and details of the Council activity undertaken.
- (ii) As an alternative to kilometre claims, elected members may nominate to be issued with a fuel card which enables a maximum allocation of 1,500 litres of fuel to be drawn from the Council’s provider in each calendar year. Under this option there is no requirement for elected members to submit travel details. Elected members who nominate to draw from this fuel allocation must only do so by utilising the Council issued fuel card.

While option (i) does provide for the collection of data that could be analysed in respect of usage for Council business, option (ii), and the primary option selected by elected members, does not require this level of detail to be captured therefore cannot be reconciled.

This policy position was adopted by the Council when it first adopted the Policy in its current form in 2015. At that time, both options (i) and (ii) above were presented to Council and the Council resolved to allow either option under the Policy at the election of the individual elected member. It appears that the 1,500 litre limit was also determined by the Council.

Should the Council wish to review the provisions provided under the Policy, including the maximum allocation of fuel litres or otherwise, it may do so when the Policy is next presented to the Council for review.

The cost of reimbursements for local travel for the current term of Council is:

Nov – July 2021 (YTD)		Nov – Oct 2020		Nov – Oct 2019	
Fuel	Other	Fuel	Other	Fuel	Other
\$10,053.46	\$1,227.38	\$11,947.28	1,450.72	\$11,091.36	\$1,846.30

‘Other’ is a reimbursement of alternate travel methods such as taxi, bus, share ride etc that are also reimbursed under section K2 of the Elected Member Development and Support Policy.

*As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.*



Paul Jackson  
**MANAGER LEGAL AND  
GOVERNANCE**

Date: 9 September 2021  
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