

POLICY AP011

MOTOR VEHICLE – FULL PRIVATE USE POLICY



Table of Contents

Policy Statement.....	3
Applicability	3
Commencement of the Policy	3
Purpose.....	3
Principles	3
Authority.....	7
Policy Owner / Further Assistance	7
Relevant Legislation.....	7
Related Information	7
Review Date.....	7
Revision History.....	7

Policy Statement

The General Manager will determine or vary entitlements to meet the aims of this policy.

Positions entitled to full private use of a vehicle under this policy may include:

- Manager Development & Environmental Services
- Manager Engineering Services
- Manager Finance & Corporate Services
- Manager People & Community Services
- Asset and Water Manager
- Works Manager
- Safety & Risk Coordinator

Applicability

This Policy applies to all staff who are provided with full private use of a Council motor vehicle.

Commencement of the Policy

This Policy will commence from 8 May 2018. It replaces all other Motor Vehicle Policies (whether written or not). The Policy may be amended from time to time.

Purpose

This policy aims to provide guidance for the management of Motor Vehicles with private use entitlements attached to specified positions through:

- Facilitating the business needs of the position including distant travel;
- Providing a benefit to attract or retain skilled professional staff;
- Flexibility to deal with job and vehicle markets changes;
- Meeting duty of care in providing for safety in the workplace (vehicle);
- Minimising costs as affected by markets and Fringe Benefits Tax (FBT).

Principles

1. PRIVATE USE ENTITLEMENT

In accepting use of the vehicle, the employee acknowledges their responsibility for the vehicle, and for complying with this policy and any operational requirements of the General Manager.

Entitlement to a vehicle may be withdrawn:

- For breach of the policy, eg misuse of vehicle, failure to keep records;
- If the employee takes up a position that has no vehicle entitlement;
- By providing notice in accordance with Industrial Award requirements.

A person relieving in an eligible position may be granted private use if the vehicle is available and if they make the payments for the period.

2. PRIVATE USE

The employee must ensure that the vehicle is available for other Council use in normal business hours whilst the employee is on duty (eg, not on leave or on flexitime) if not needed by the employee. The employee may use the vehicle any time when fit to drive, except to negotiate private use with the General Manager.

- For long service, maternity, paternity or workers compensation leave exceeding four weeks;
- For “Leave Without Pay”

Subject to any variation made or restriction imposed by the General Manager, and business needs, the employee may grant permission to drive the vehicle to a person who has a current driving license and is fit to drive including:

- Employee’s spouse or partner,
- Other family members residing with the employee,
- Another person if it is considered safe and prudent to do so, including where the employee needs a break from driving or is incapacitated, or to ferry the vehicle for repairs or a car shuffle.

Using a Council vehicle in a rally, competition, or for commercial purpose or reward is prohibited. Any use outside this policy requires permission from the General Manager, subject to considering insurance cover or cost to Council.

The driver is responsible for any fine arising from use of the vehicle, or if not identified, the employee in charge of the vehicle is responsible.

3. MAKES AND MODELS OF VEHICLES

The General Manager will determine the standard of vehicle for each position. Arbitrary value thresholds are not set, to:

- Allow the General Manager flexibility to meet the prevailing needs, adjust to market changes and to consider all costs and residual value;
- Avoid wasting resources or affecting morale in being too prescriptive.

Notwithstanding the above the General Manager is to ensure that plant fund expenditure is contained within the budget amounts approved by Council.

Generally replacement vehicles will be of similar standard to existing models that meets Council needs. Models that retain better value are preferred to basic models.

Models with a 4 or 5 star ANCAP rating and good braking, road holding and other crash avoidance features, are preferred in providing for safety.

Changeover intervals are to be in accordance with Policy ENG003 provided that the General Manager may vary these in the best interests of Council subject to budget constraints.

4. VEHICLE OPTIONS AND ACCESSORIES

Options or accessories fitted to Council vehicles to improve functionality or safety or to minimise damage to the vehicle, if not fitted as standard, include:

- Body protection – mud flaps, headlight and bonnet protectors;
- Bull bar
- Sump guard if available and can be fitted;
- Floor mats, seat covers, fire extinguisher and first aid kit;
- Cargo barrier or restraint in wagons;
- Tow pack;
- Two way;

Options that add value or safety may be considered if consistent with the standard of vehicle approved by the General Manager, eg wagon, 4WD.

Accessories that are not required for operational or incentive purposes are generally not provided, as capital and FBT costs are not recovered on sale. The General Manager may allow the employee to add personal accessories if:

- They remain with the vehicle on its sale, or
- Removal or transfer will not affect value with damage or fade marks; or
- The employee agrees to pay for repairs before the vehicle is sold.

Stickers and sign-writing are not permitted on private use vehicles,

5. EMPLOYEE CONTRIBUTIONS

Employee contributions for private use or a motor vehicle include a weekly payment and paying for fuel used for private travel outside the Bogan Shire LGA. The employee is to pay for private use fuel themselves and not put this expenditure on the Council fuel card. Payments may be waived if the vehicle is not required or is unavailable to the employee.

If the weekly payment is not otherwise set (with three months' notice provided), it will increase on 1 July by the NSW Consumer Price Index.

The vehicle cost is only partly recovered, in recognition that:

- The vehicle is needed for business use by staff and Councillors;
- It is used for work and community activities in the employee's own time;
- A benefit component is needed in professional staff salary packages;
- FBT liability is partly extinguished by employee contributions.

6. MAINTENANCE

The employee shall:

- Ensure that the vehicle is kept clean, tidy and smoke free – smoking in the vehicle is prohibited;
- Ensure the vehicle is regularly serviced and maintained according to the manufacturer's specification or as required by the Works Manager;
- Notify the Works Manager of defects or damage as soon as practicable;
- Take reasonable care with security of the vehicle, parked off the street when possible and locked when not in use.

7. INSURANCE AND EMERGENCY REPAIR

Council will register and provide private use vehicles with NRMA Roadside Assistance for emergency repairs, towing or other service, and full insurance (except for personal items) at the Council's cost.

The Works Manager should be contacted as soon as practicable for emergency assistance appropriate to the circumstances, eg: repairs, recovery or alternative transport. Any hire vehicle is to be the most economical option for the circumstances. The employee may authorise urgent repairs and replacement parts, and be reimbursed for expenses.

Work related use includes legitimate volunteer emergency service activities.

The employee must drive responsibly to minimise the risk of an insurance claim being declined and must fully cooperate with insurance investigations.

The employee will pay the repair or replacement cost, if an insurance claim is declined or the Insurer seeks to recover the cost, for an accident involving private use or the driver is convicted of an offence involving drugs or alcohol.

8. FUEL CARD

Council will supply private use motor vehicles with:

- An electronic tag for the Council depot bowser and a PIN for drivers;
- A fuel card for commercial outlets.

A lost card must be reported immediately to the Works Manager. Obtaining loyalty scheme points with the card is prohibited.

9. RECORDS & FRINGE BENEFITS TAX

The employee must comply with Council and Fringe Benefits Tax records requirements, including a detailed logbook or spreadsheet of business and private distances and fuel expenses as directed by the General Manager. The employee shall retain tax invoices for expenses, and record the kilometres at each refuelling for verifying supply and calculating private use fuel reimbursements and FBT liability.

Normal running expenses, including fuel, will be reimbursed upon presenting original tax invoices. A large or abnormal expenditure requires prior approval.

Authority

Council

Policy Owner / Further Assistance

General Manager

Relevant Legislation

- Local Government Act 1193 (NSW)
- Local Government (General) Regulation 2005 (NSW)
- Industrial Relations Act 1996 (NSW)

Related Information

- ENG003 Vehicle, Plant & Equipment Replacement Policy

Review Date

April 2023

Revision History

Date	Description of Change	Sections Affected