



Policy

46 PRIVATE USE OF COUNCIL VEHICLES

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1. POLICY STATEMENT

This policy provides guidance and direction to Council staff regarding the appropriate use of Council vehicles by employees for private purposes.

2. PURPOSE

To ensure that appropriate vehicles are available to allow Council officers to undertake their functions in an efficient manner while minimising the adverse environmental impact resulting from the operation of the vehicle fleet.

To enable Council to remain competitive with other employers when attracting and retaining skilled staff while minimising the cost of remuneration packages.

To enable Council to provide an employee benefit while acknowledging the financial benefit to the Council. These savings occur as a result of

1. release from payment of award car allowances, and
2. costs otherwise incurred from garaging, washing, cleaning,
3. decreased need for car parking facilities, and
4. an increase in revenue from employees contributing towards their use of the motor vehicle.

3. SCOPE

This policy covers all private use of Council motor vehicles by Council employees and their associates.

The private use of Council motor vehicles by the Mayor and/or Councillors is specifically excluded.



Policy

4. OBJECTIVE

This policy is developed to assist the Council with Delivery Plan Objective 2.1.3.1:

Coordinate Council investments, financial management, financial operations and processing.

5. DEFINITIONS

Group 1 employee:

General Manager and Department Directors

Group 2 employee:

1. Officers on contract, or
2. Officers employed on Band 18 or above of the Local Government Award, or
3. Section Managers;

Group 3 employee:

Employees where a vehicle is essential to effectively perform their role and unrestricted private use of the vehicle is regarded as an industry standard

Group 4 employee:

Employees who:

1. require the constant use of a vehicle in the performance of their duties,
2. are on call
3. Frequently start/finish on the job or are required to attend a range of duties away from their usual place of business

Immediate family:

An employee's spouse, children and stepchildren ordinarily residing in the employee's household.

Luxury Car Tax threshold:

The threshold set by the Australian Taxation Office in its annual Luxury Car Tax Determination in accordance with Division 25 of the *A New Tax System (Luxury Car Tax) Act 1999*



Policy

6. POLICY IMPLEMENTATION

1.1 Categories

6.1.1 Group 1

Group 1 employees will be provided with a fully maintained vehicle (or remunerated equivalent) appropriate to the position with unrestricted use in accordance with this Policy and the agreement covering his/her conditions of employment.

This is in line with the industry standard for positions of this type and allows the Council to remain competitive when seeking to fill these positions.

6.1.1 Group 2

Where a car is allocated to this position, Group 2 employees will be provided with a vehicle appropriate to their position. This vehicle will be available for both official and unrestricted private use, subject to compliance with provisions of this policy.

This is in line with the industry standard for positions of this type and allows the Council to remain competitive when seeking to fill these positions.

6.1.1 Group 3

Where a car is allocated to this position, Group 3 employees will be provided with a vehicle suitable to carry out their Council role. This vehicle will be available for both official and unrestricted private use, subject to compliance with provisions of this policy.

6.1.2 Group 4

Group 4 employees are provided with a vehicle for business use only, but it is garaged at the employees' premises.

These vehicles are not generally available for private use, other than for on call water and sewerage operators who are required to have the vehicle with them at all times, including when on call. These are strictly 'job required' vehicles.

6.2 Supply of vehicles

6.2.1 Allocation

The General Manager will determine the type of vehicle provided to an employee, based on advice from the Director Technical Services.



Policy

6.2.2 Vehicles

Ordinarily, the Council will provide the following vehicles for private use:

Group	Vehicle standard	Comment
1	Vehicle up to the value of 80% of the Luxury Car Tax threshold	Indexed each year
2	Vehicle at the discretion of the Director Technical Services and related to intended usage	Smaller, more fuel efficient vehicles are now preferred
3	Two-wheel drive base model sedan or utility	Unless 4WD is essential for carrying out work duties
4	Utility/Light truck	

The type of vehicles provided may be varied to take account of market forces where it is considered a better change over price may be obtained or to suit the requirements of the employee where it will not result in significant financial impact on the Council.

All variations shall be approved by the General Manager on consideration of the General Manager.

6.2.3 Fitting of accessories

All vehicles purchased by Council will be fitted with appropriate safety accessories as determined by the Director Technical Services on consideration of advice from the Enterprise Risk Manager.

Employees who wish to fit accessories to cars may do so at the employee's own expense – subject to the express permission being granted by the Director Technical Services. No credit will be given where accessories remain on the vehicle at trade-in. If any privately fitted accessories are removed at any time, it is the responsibility of the employee to restore any damage to the satisfaction of the Director Technical Services.

6.3 **Operation and Maintenance**

6.3.1 Council's responsibility

The Council will:

1. Pay for all servicing and maintenance of the vehicles,
2. Pay for fuel, normally by way of a fuel card allocated to each vehicle.
3. Ensure all vehicles are registered, including third party "pink slip".
4. Ensure all vehicles are fully comprehensively insured.
5. Ensure all vehicles have access to 24 hour roadside assistance, including towing.



Policy

6.3.2 Employee's responsibility

Employees with private use facilities are responsible for:

1. Washing and cleaning the car as required,
2. Polishing the car when required,
3. Attending to overnight security, garaging the vehicle off the road and under cover where possible,
4. Notifying the Council mechanic of all defects in the operation of the vehicle or damage to the vehicle, no matter how minor, and
5. Ensuring that normal running items such as petrol, oil, battery, radiator, tyre pressures etc. are checked at regular intervals and appropriate maintenance undertaken.
6. Reimbursing the Council for private use where required under this policy.

The employee is required to retain receipts or any expenditure and submit all receipts to the relevant Council officer.

Employees provided with private/commuter use privileges will maintain and provide records required by Council.

If a logbook is provided to identify drivers using the vehicle, the employee allocated the vehicle is to ensure that each driver completes the logbook as required.

6.3.3 Cleanliness

Employees with private use of a Council motor vehicle are expected to care for and maintain that vehicle with no less care and attention than they would their own private vehicle.

The care and attention provided to vehicles with private use rights will:

1. Maintain the image of the Council in the eyes of the public
2. Improve the resale value of the vehicle.

The Director Technical Services will monitor the cleanliness of vehicles with private use rights as required.

Dirty vehicles drawn to the attention of the Director Technical Services or his/her nominee will be, if considered necessary, reported to the relevant Section Manager for action.

The General Manager may instruct that an employee be removed from the private use scheme if there are repeated instances – as a rule, three instances – of their private use vehicle not meeting the Council's standard of cleanliness.



Policy

Prior to disposal or transfer of their private use vehicle the employee is to wash the vehicle and vacuum and clean the inside of the car and the boot. All rubbish and articles in the car are to be removed. If the car is not satisfactorily cleaned, the Council will arrange for the cleaning of the vehicle and the cost for the cleaning passed on to the employee.

6.3.4 Collisions and other damage

In the event of a collision or breakdown, the driver is to use the services of the approved roadside service organisation as appropriate. If the vehicle requires towing, the NRMA is to be requested to provide the usual free service and the driver is to inform the Director Technical Services as soon as possible thereafter.

In the event of a collision or other incident leaving the motor vehicle damaged and/or inoperable:

1. The driver/employee must follow the Council procedures established for such a circumstance, including informing the Director Technical Services as soon as possible. The Enterprise Risk Manager **must** be informed as soon as possible if an insurance claim is possible (i.e. damage or injury).
2. If the incident happened while the vehicle is being used for work purposes, an Incident Report **must** be completed
3. Repairs are to be authorised by the Director Technical Services, or directly by the Insurer. However, if the accident or breakdown occurs in an area remote from Berrigan Shire and it is not possible or reasonably practicable to contact the Council office, the employee may arrange urgent repairs or replacement parts up to the value of \$2,000.
4. Where the breakdown or damage is of such a nature that the vehicle will be unable to be driven for several days, no repairs are to be undertaken without the approval of the Director Technical Services. If in the event the employee is stranded outside Berrigan Shire as a result, the employee may hire, at the Council's expense, a vehicle of a similar standard to enable the employee to return to Berrigan Shire or to have transport until the Council's vehicle is repaired. Vehicle hire for a period greater than 24 hours must be approved by the Director Technical Services
5. The Director Technical Services will co-ordinate the recovery and/or repair of a stranded vehicle. The driver could be expected to assist in the return of the vehicle to Berrigan in his or her own time. This is



Policy

consistent with the principle that private use should not result in significant extra costs to Council.

6.4 General Conditions of Use

6.4.1 Pool car

All cars owned by Council are available as pool cars even though private use rights are conferred. Council use is the first priority at all times.

The vehicle is to be brought to the job every day during employment, other than leave periods, and is to be used for all normal duties within the area.

If directed by the General Manager, a Council insignia shall be displayed on the vehicle during working hours.

6.4.2 Agreement

Employees must complete a Private Use Agreement form and the relevant payroll deduction form before any private use of a Council vehicle. The General Manager or his/her nominee is responsible for preparing the private use agreement for completion by the employee.

If a vehicle is damaged and temporarily not suitable for use, where possible the Council will provide the employee a suitable unassigned vehicle from Council's fleet

The employee may terminate any agreement for private use by giving three months' notice.

The Council will give 12 months' notice to terminate any private use agreement – other than where it is terminated for reasons of misuse or lack of care. Private use may also be withdrawn if the employee changes his/her duties or position with the Council.

6.4.3 Lease payment

The General Manager, on advice from the Director Technical Services, will determine the annual lease payment due for each vehicle in accordance with clause 16 of the Local Government (State) Award 2017. For employees in Group 1, the payment for private usage will be as per their contract of employment.

Payment for a "private-use" vehicle is determined on the basis that it is roughly equivalent to a weekly amount paid after tax of an amount equivalent to the Fringe Benefit Tax applicable to the vehicle.

Private use payments will be deducted from the employee's fortnightly salary. The employee will complete the appropriate deduction form.



Policy

6.4.4 Fuel payment

Employees – other than those otherwise exempt – will reimburse Council for fuel used during private use on:

1. Weekends
2. Public holidays which fall adjacent to a weekend
3. Rostered days off which fall adjacent to a weekend
4. All leave

The following employees are not required to reimburse Council

1. Group 1 employees – this is built into their lease charge
2. On Call Employees – only for the period the employee is actually on call; i.e. fuel reimbursement **is** required for the periods where the employee is not rostered on call.

The charge out rate for fuel used for private use of Council vehicles is set as follows:

1. The fuel consumption rate for the vehicle published on '[The Green Vehicle Guide](#)' [website](#) published by the Australian government, discounted by:
 - a) 10%, to recognise the lower fuel consumption in rural driving conditions; and
 - b) a further 5% to reflect Council's practice of providing fuel at a discounted rate.
2. The fuel price determined each month based on the price charged to the Council on its fuel card account.
3. Unless otherwise specified in the employee's conditions of employment, the employee shall reimburse Council for private travel undertaken within 30 days. Ordinarily, this will be through a payroll deduction.

6.4.5 Tolls

Unless incurred in the performance of their Council role – or in travel to and from a place where the Council requires them to work, all tolls for use of toll roads, bridges, tunnels etc. are the responsibility of the employee. Tolls incurred in private use will be passed onto the employee for payment.

Group 1 employees are exempt – the cost of tolls is covered in their lease charge.



Policy

6.4.6 Authorised use

All employees with private use of a Council vehicle shall, subject to the restrictions elsewhere in this policy, are allowed full and unrestricted private use of vehicles, including weekends and – within reasonable limits – while on leave.

While not attempting to unnecessarily restrict the private use of the vehicle, the vehicle may be driven up to 2,000km (one way) from Berrigan (and then return). Further travel is subject to the prior approval of the General Manager.

Where an employee is on any form of leave for a period of over four weeks, the continued private use of a Council vehicle will require the approval of the General Manager.

6.4.7 Authorised drivers

Unrestricted private use of the vehicle is limited to the participating employee and his/her partner. Members of the employee's immediate family with an appropriate and current driver's licence, may also drive the vehicle, however under no circumstances shall they to use the vehicle for their own private use. In other words, they could assist by driving the vehicle to pick-up or drop-off the employee locally if required or act as a relief driver.

The employee may authorise other licensed drivers to drive the vehicle while they are passengers in the vehicle – for example, to allow for rotation of drivers on long journeys etc.

Learner drivers will not ordinarily be permitted to drive a Council vehicle for private purposes. However, exemptions may be granted by the Director Technical Services in extenuating circumstances. Any exemption will be explicit and in writing.

If a leased vehicle is involved in frequent accidents – currently determined as two accidents in a three year period – when driven by a person who is not an employee of the Council and these accidents are shown to be the fault of that particular driver, then the General Manager may refuse that person driving rights to the vehicle or, under exceptional circumstances, terminate any agreement.

6.4.8 Prohibited use

Vehicles are not to be used in motor sport of any kind. This does not preclude use of the vehicle to transport vehicles participating in motor sport; i.e. the Council vehicle may tow a race vehicle but must not race itself.

In line with the Council's guidelines for expenses and facilities provided to employees, Council vehicles may not be used for private commercial advantage



Policy

outside Council activities. Where the use is minor and infrequent, the General Manager may permit such use using his/her discretion.

Permission from the General Manager must be sought before an employee uses a Council vehicle for travel to and from their secondary employment. The vehicle must **never** be used in performance of their duties during their secondary employment.

6.5 Traffic offences

6.5.1 General responsibility

All drivers of Council vehicles will comply with:

1. regulations laid down under the *Road Transport Act 2013* and,
2. other State or Federal legislation applicable to the use of the vehicle, and
3. parking ordinances, regulations and the like.

Employees are personally liable for any fines which may result from infringement – regardless of the time or place of the infringement – i.e. this includes fines incurred when using the vehicle for work purposes.

6.5.2 Loss or suspension of licence

An employee with private use rights must advise Council's Director Technical Services immediately if his/her licence is cancelled or restricted

An employee with a suspended licence is forbidden to operate any Council vehicle for the period of the suspension.

In the case of a restricted licence, the employee can only use a Council vehicle within the limits of any such restriction, e.g. to carry out duties associated with normal working duties.

6.5.3 Damage caused by illegal use

As a rule, the Council will seek recovery of the cost of any damages caused to a Council vehicle by an employee, where the damage resulted from a breach of the law by that employee.

Where an insurance claim for damage to a Council vehicle or third party property is denied by the insurer, particularly where a council officer may be found to be under the influence of drugs and/or alcohol, then the Council officer will be liable for the damage and loss sustained to both the Council vehicle and any third party property.

At the General Manager's discretion, where a Council driver is involved in damage to Council vehicles and/or third party property, the Council reserves the right to take one or all of the following actions:



Policy

1. Require the employee to pay the insurance deductible (excess)
2. Require the employee to pay for all or part of the repairs
3. Withdrawal of private use privilege where applicable; and
4. Withdrawal of total use of the vehicle.

The action taken will give consideration to the nature of the damage and the degree of negligence on the part of the Council officer.

Where the withdrawal of use is made, such withdrawal will be for a period determined by the General Manager.

6.6 Vehicle replacement

1. As a general rule, vehicles shall be changed over at between 80,000kms and 100,000kms or two years, whichever comes first – or when strategically appropriate.
2. Disposal of vehicles will be undertaken in line with the Council's Procurement and Disposal Framework and its Disposal Policy.

7. RELATED POLICIES OR STRATEGIES

- *Local Government Act 1993*
- *Local Government (General) Regulation 2005*
- *Road Transport Act 2013*
- *A New Tax System (Luxury Car Tax) Act (Cwlth) 1999*
- *Local Government (State) Award 2010*
- Code of Conduct
- Risk Management Policy and Framework
- Salary Policy
- Procurement Policy
- Disposal Policy
- Expenses and Facilities Guidelines for Staff.
- Drug and Alcohol Free Workplace Policy