

POLICY NO AND TITLE	<b>1.2.1</b>	Conditions of employment policy <sup>6</sup>
PROCEDURE	1.2.1(ag)	Motor vehicle leaseback
VERSION AND DATE ADOPTED	1	
RESPONSIBLE OFFICER		Manager Human Resources

## Standard Motor Vehicle Leaseback Conditions – July 2007

### Conditions for private use of designated Council motor vehicles

#### Ownership and Availability

1. As a basic premise, vehicles are to facilitate delivery of Council services and shall be available as a first priority at all times for this purpose. For those employees who are in charge of a vehicle and are permitted private use, the following conditions strictly apply.

The vehicle is to be available for general staff use during normal office hours with the exception of the leave periods described in clause 19.

2. Care and Maintenance

3. The vehicle must be kept clean and presentable by the employee, the necessary work to be carried out in the employee's own time and at the employees cost.

If the vehicle is presented at vehicle changeover time in an unsatisfactory condition, the employee will be required to pay the costs of having the vehicle cleaned.

4. The Council will provide for repairs, maintenance and insurance of the vehicle and NRMA/Holden wise or similar membership.
5. When at the employee's residence, the car must be parked off-street and preferably under cover, unless otherwise approved by the Director Engineering Services.
6. The Council vehicle must not be used in any car rally or competition.
7. No modifications are to be made or equipment added to or removed from the vehicle without the prior approval of the Director Engineering Services.
8. Council has a 'No Smoking' policy which applies to all vehicles.

#### Fuel

9. Vehicles are assigned a Fuel Card for the purchase of fuel. This card will be used to purchase fuel for Council's vehicle whilst the vehicle is used for Council business and private purposes. The odometer reading is to be provided to the fuel supplier each time the card is used.
10. The cost of fuel while leaseback participants are on annual and long service leave will be met as follows:-
  - Fuel purchased within the shire boundaries – cost met by Council

- Fuel purchased outside an arc with a radius of 700km from Bega – fuel card or other purchase cost met by the leaseback participant
- Fuel purchased outside the Shire but within the arc – fuel card or other purchase cost met 50% by the leaseback participant and 50% by Council

This condition applies to weekends adjacent to annual leave or long service leave but not to any other leave. Leave such as other leave shall be taken in one block in any leave period. Examples of the application of this clause are attached to the agreement as annexure number 1.

### Vehicle Type

11. The vehicle must be suited to facilitate service delivery and meet reasonable expectations for private use. eg. sedan, station wagon, utility or four wheel drive.
12. Each Director is to certify the type of vehicle to be purchased indicating its suitability for the primary purpose of service delivery whilst being suitable to the leaseback user.
13. The actual vehicle purchased is to have regard to the lowest “whole of life” cost of ownership and be generally restricted to the most common models.

### Vehicle Extras

14. Senior Management must approve any extras fitted to the vehicle. Extras that limit flexibility in managing the fleet to ensure lowest ownership cost will not ordinarily be fitted.
15. As a guide, plastic protectors, mud flaps, tow bars, cruise control and air conditioning (when not standard) may be permitted. It should be noted that vehicles fitted with extras as approved generally will reduce the whole of life cost to Council when traded or auctioned.

### Changeover Time

16. The Director of Engineering Services will decide changeover time based on proper assessment of the following:
  - Market conditions
  - Model release dates
  - Warranty conditions
  - Local market conditions (annual meeting with dealers)
  - Capital and whole of life costs
  - Government contract requirements
  - Government tax arrangements
  - Recommendations of the vehicle users group

### Conditions

17. The vehicle may only be driven by the following people:
  - An employee of Council holding an appropriate current Driver's Licence.
  - The spouse / partner or immediate family of the employee, provided they hold a current driver's licence.
  - Any holder of an appropriate current drivers licence when accompanied by the Council employee

- In emergency circumstances, any licensed driver authorised by the Council employee.
18. Should the employee authorise a driver under 25 year of age other than another Council employee, to drive the vehicle and the vehicle is involved in an accident then the employee shall pay to Council any excess not met by the Council's insurance company due to the driver's age.
  19. The maximum period for which a vehicle can be used by an employee on annual, maternity or long-service leave is 6 consecutive weeks. Family leave, sick leave or workers compensation absences of six consecutive weeks or more- are at the discretion of the relevant Director who may approve an extended period provided the vehicle is not required for Council purposes during the absence of the employee concerned. Where a period of paid special maternity leave (illness related to the pregnancy) is taken immediately prior to paid maternity leave, the maximum period of vehicle use entitlement shall be 6 weeks.
  20. Leaseback drivers will be given one months notice of intention to replace their current vehicle. A list of available vehicles, lease back rates and anticipated delivery time will be supplied with this notice.
  21. If a driver is convicted of driving under the influence of alcohol or other banned drug or substance resulting from an accident involving a Council vehicle the leaseback holder must pay the total cost of repairs and/or restitution arising out of the accident, in the event that Council's insurers deny any insurance claim.
  22. The vehicle shall not be used for commercial purposes, or in any activity where the lessee derives an income which is not related to the lessees employment with the Council.
  23. Council is to provide comprehensive insurance cover for the vehicle whilst the vehicle is used for either business or private use.
  24. The insurance policy does not provide cover for the loss of personal possessions or equipment that are damaged lost or stolen from the Council vehicle. The cost of any loss or damage to personal property from the vehicle is to be borne by the employee.

A leaseback driver involved in more than one at fault accident per year shall pay the insurance excess applicable.

### **Private Use Fee**

25. The private leaseback fee is a weekly fee and will be deducted from the employee's pay.
26. The weekly fee payable by the employee for private leaseback will be the rate set by Council.
27. The leaseback fee will be adjusted annually based on movement in the Australian Bureau of Statistics private motoring component of the CPI. The adjustment will be made on the week closest to 1<sup>st</sup> October each year and be based on movement in the private motoring component of the CPI from July to June in the previous financial year.

In the event that the employee elects to salary sacrifice part of the leaseback fee in accordance with the Government (State) Award 2007, any fringe benefit tax (FBT) owing at the end of the FBT year for vehicles allocated to the employee must be paid by the employee within 3 months of falling due.

## Termination

28. Non-compliance with the terms and conditions of this agreement may preclude the employee from further use of the vehicle.
29. Abuse or misuse of the vehicle or Fuel Card will lead to disciplinary action being taken which may include the termination of the leaseback agreement on one days notice.
30. The employee may terminate this agreement by giving two weeks written notice to the Director of Engineering Services.
31. Council may terminate this agreement by giving 12 months written notice of its intention to do so in accordance with the Local Government (State) Award 2007. Any decision to terminate an agreement must be made in consultation with the relevant union.

## Log Books

32. Employees will not be required to maintain log books on a permanent basis. The Director of Engineering Services may require employees to prepare log books for a maximum period of 13 weeks annually in order to monitor the proportions of business and private use. The method to be used for maintaining the logbooks is to be determined by the leaseback user group.
33. Should log books be required for Fringe Benefits Tax or any other legislated purpose they will be implemented so as to comply with the relevant legislation.

## User Group

34. Leaseback holders shall be represented in the group by a representative from each of the DEPA, USU and APESMA together with a non-union staffer. Management shall be represented by the Director of Engineering and the fleet co-ordinator. The role of the user group will be to consider and discuss all vehicle leaseback related matters and prepare recommendations for consideration by the Director of Engineering Services.

## Application

I \_\_\_\_\_ participate in Council's vehicle leaseback scheme.  
The registration number of the Council vehicle I currently use is \_\_\_\_\_.

I agree to abide by the "Conditions for Private Use of Designated Council Motor Vehicles", adopted by the Council on 24 September 2004 and modified by recommendations from Commissioner Grayson of the NSW Industrial Relations Commission on 20 September 2006.

The vehicle will be parked off the street at \_\_\_\_\_  
and I hereby authorise \$230-00 per week to be deducted from my pay commencing on \_\_\_\_\_.

**Employees Signature:** \_\_\_\_\_

**Authorised by**  
**Departmental Director:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Deductions arranged**  
**by Payroll Officer:** \_\_\_\_\_ **Date:** \_\_\_\_\_

cc: Patricia Avis, Fleet Coordinator.