

HEAD OF POWER

- *Local Government Act 2009*, section 9(1)

INTENT

The purpose of this policy is to address the provision, usage and circumstances/conditions under which Council vehicles are managed and operated.

SCOPE

This policy applies to all employees and other drivers of any vehicles under Council's control/ownership for which usage is granted. For Councillor vehicle use conditions, refer to the Expenses Reimbursement for Councillors Policy.

DEFINITIONS

Commuter use means an employee has the use of a vehicle limited to travel between home and work within the Bundaberg Regional Council local government area; and travel that is incidental to travel in the course of performing employment related duties.

Employee means a local government employee as defined pursuant to the *Local Government Act 2009*.

Fringe Benefit means a payment to an employee, but in a different form to salary and wages.

Fringe Benefits Tax (FBT) is paid by employers on certain benefits they provide to their employees or their employees' family or other associates.

Smoking means inhale or exhale of smoke of tobacco or the action or practice of inhaling and exhaling the vapour produced by an electronic cigarette or similar device.

POLICY STATEMENT

Council vehicles are a resource for the purposes of achieving effective and efficient operations of Council. Council's policy is not to provide vehicles to employees for private use. Where Council seeks to provide an employee benefit, this should be undertaken utilising Novated Vehicle Lease provisions, contained in the Salary Packaging Policy.

1. Vehicle selection

- 1.1 Vehicle selection is based upon the Council work requirements and cost benefit to Council and shall be made by Fleet Services in consultation with the relevant manager/supervisor. No vehicle colour or other preference will be given to employees.

- 1.2 Minimum whole of life costing will be used in the selection of any vehicle within a particular vehicle class during the procurement process. FBT implications will be considered in determining the whole of life costing.

2. Vehicle ownership

- 2.1 All vehicles remain the property of Council and as such, Council will pay all registration and insurances.
- 2.2 All Council vehicles shall display Council identification/badging, unless otherwise determined by an Executive Leadership Team member.
- 2.3 The benefit given to employees for use of Council vehicles comes with a responsibility to maintain the vehicle in a clean, tidy and well-maintained condition, including regular washing/cleaning at a standard as per the initial allocation. Allocated staff are to ensure that all scheduled servicing and necessary maintenance is attended/undertaken.
- 2.4 Any accidents or damage to vehicles is to be reported to Fleet Services as soon as possible.
- 2.5 The vehicle shall not be modified in any way by the employee. Vehicles are fitted with an automatic vehicle location device in accordance with the Fleet Services Global Positions Systems Policy.
- 2.6 Vehicle interiors are to be kept clear of unsecured objects. Toolboxes and utility trays are to be utilised for miscellaneous objects. No in-cab modifications, such as electrical devices, car seats, extended seat belts etc. are permitted without appropriated authorisation.

3. Replacement schedule

Vehicles will be replaced at a time considered appropriate by Fleet Services in consultation with employees' and management and in accordance with the Fleet Services Plant Replacement Program. Light vehicles will be replaced at approximately 120,000 kilometres travelled or a minimum of five years or as determined by the Fleet Services management.

4. Usage restrictions

- 4.1 Unless provided for by other provisions in this policy, Council vehicles are only to be utilised by a Council employee.
- 4.2 Council vehicles shall not be used:
 - for competition or rally;
 - for commercial purposes;
 - for farming practices;
 - on sand or unformed tracks (excepting where required for work purposes);
 - for any other purposes excluded by Council's motor vehicle insurance policy; or
 - unless otherwise approved by the relevant Executive Leadership Team member.

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- 4.3 The employee must not wilfully or recklessly misuse or mistreat the motor vehicle or operate a vehicle outside the intended manufacturing specifications of use.
- 4.4 Smoking (including vaping) is not permitted in or on any Council vehicles or equipment.
- 4.5 All drivers must comply with requirements of Council's Alcohol and Drug Policy.

5. Authorised users/driver's licence requirements

- 5.1 All drivers who are required to drive Council vehicles must hold an appropriate and current Australian Driver's Licence (including any conditional licences where the conditions of such licence are observed during use).
- 5.2 Employees who require a licence to carry out their work and who have their licence cancelled either fully or partially, shall immediately notify their Manager/Supervisor in writing.
- 5.3 Staff who operate council vehicles, plant, and equipment must possess the necessary license and/or ticket. Operators are to be assessed and deemed competent by their respective department manager.
- 5.4 Council vehicles may be driven by any employee who satisfies the authorised user as below:
 - read and understood this policy; and
 - booked and obtained the vehicle through Council's PoolCar system; or
 - completed and approved a Use of Council Vehicle Agreement Form.
- 5.5 All employees utilising a Council vehicle must ensure that a Council approved logbook is kept and completed (unless the vehicle is not subject to FBT) or the vehicle is booked through Council's PoolCar system.

6. Penalty notices and convictions

- 6.1 An employee convicted of drink driving or consumption or use of an illegal drug in association with a crash and/or incident, will be liable for all costs associated with the repair of such vehicle/vehicles.
- 6.2 If a driver is charged and found guilty of a driving offence which results in cancellation or suspension of their licence, all Council vehicle use will be suspended immediately and the vehicle returned to Council.
- 6.3 Traffic infringement fines incurred are the personal responsibility of the driver at the time of the infringement. The allocated driver (responsible for the vehicle) must be able to identify whether it was an alternative driver.

7. Termination/variance of agreements

- 7.1 The Chief Executive Officer reserves the right to rescind a decision to provide a vehicle, vary the type of vehicle to be provided and vary the contribution rates.
- 7.2 Employees may terminate commuter use privileges by providing seven days' notice in writing. Employees are not obliged to enter into commuter use arrangements.

8. Commuter Use

- 8.1 Vehicles are to be submitted into Council's Vehicle Pool system during working hours, unless exempted by the relevant Executive Leadership Team member.
- 8.2 Vehicles are to be garaged within the Bundaberg Regional Council Local Government area.
- 8.3 The vehicle is to be driven by Council approved personnel only (i.e. not family members).
- 8.4 The vehicle must be available for Council use during all normal duties of the employee.
- 8.5 All vehicles shall contain Council identification/badging, other unless determined.
- 8.6 The vehicle shall be returned to Council for reallocation to another employee during periods of planned/unplanned leave greater than two working days.
- 8.7 Approval may be granted to employees with commuter use for minor deviations of travel between home and work with documented approval from the employee's management.
- 8.8 Employees with main driving responsibilities of a Council vehicle must complete a 'Use of Council Vehicle Agreement Form' and have it signed off by their department's manager.
- 8.9 Vehicles with low or high utilisation can be transferrable with other assets of similar specification, to maintain acceptable usage levels.

9. Fringe Benefit Tax

- 9.1 FBT in relation to vehicles will be calculated in accordance with the *Fringe Benefits Tax Assessment Act 1986* (FBTA Act) in order to provide the lowest taxable value. As such, the Statutory Accounting Section will liaise with employees that are allocated non-exempt vehicles to ensure taxation compliance and Council's liability is not unnecessarily inflated.
- 9.2 Employees may choose to make voluntary after-tax contributions towards the operating cost of an allocated vehicle for personal reasons including reducing reportable FBT. Proof of contribution (tax invoices, receipts for fuel etc) must be

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forwarded to the Statutory Accounting Section before 1 April each year to affect reportable Fringe Benefits.

- 9.3** Employees that are allocated non-exempt vehicles will be required to maintain a logbook for each taxation year. Employees will be required to provide a detailed 12 weeks logbook every five years or when circumstances warrant it, in accordance with section 10A of the FBTA Act. For vehicles allocated to Council's PoolCar system, this system will fulfil the requirements of maintaining a logbook.
- 9.4** Employees that are allocated an exempt vehicle will be required to complete an exemption declaration in a format approved by the Australian Taxation Office for any vehicle driven by them during the FBT year.
- 9.5** Council's Statutory Accounting Section will liaise with employees in relation to taxation requirements described above. Council may take disciplinary action against employees who fail to comply with the taxation requirements associated with provision of a vehicle. Potential action includes, but is not limited to, recouping the taxable value of fringe benefit or surrendering of vehicle rights.

ASSOCIATED DOCUMENTS

- Alcohol and Drug Policy
- Car Pool Vehicle Usage Operational Policy
- Employee Code of Conduct
- Councillor Expenses Reimbursement and Provision of Facilities Policy
- Fleet Fuel Management Operational Policy
- Fleet Services – Global Position Systems (GPS) Policy
- Payment of Toll Fees Procedure
- Salary Packaging Policy
- Use of Council Vehicle Agreement Form
- Vehicle Crash/Damage Report Form

DOCUMENTS CONTROLS

Council will review this policy biennially or in response to changes in law or best practice.

POLICY OWNER

Business Manager, Fleet Services.