

Kyogle Council

Draft Vehicle Policy



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1 Title

This Policy may be cited as the Kyogle Council Vehicle Policy.

2 Validity

This Policy is currently in draft form only. Upon adoption by Council, the statement below is to be completed, and this paragraph deleted.

This Policy is effective from 28 November, 2011, and derives its validity from Council Resolution **111206/12, 221110/21, 281111/27** This Policy replaces all previous policies relating to Council vehicles.

3 Objectives

This Policy aims to govern the provision of vehicles to staff and Councillors for both business and private use on the following basis.

3.1 Transportation Service

To provide a transportation service for Council and staff to conduct Council's business in accordance with industry best practice to ensure timely delivery of services to ratepayers and residents.

3.2 Fleet Management

To minimise Council's vehicle costs by optimising vehicle selection, usage and vehicle turnover.

3.3 Employment Conditions

To recognise that the provision of vehicles can be a valid component of employment packaging/conditions.

4 Policy

Council's Policy for the provision of vehicles is as follows:

4.1 Motor Vehicles

Motor Vehicles are an essential tool to enable Council staff to operate efficiently, particularly staff who are required to travel substantial distances in the course of their work, and who may be called upon to exercise Council's functions outside normal office hours.

4.2 Best Practice

Council will operate its light vehicle fleet in accordance with industry best practice.

4.3 Non-Business Use

Employees may be offered use of Council vehicles for non-business purposes primarily on the basis that employees contribute to Council for the non-business use of the vehicle.

4.4 Pool Vehicles

All Council vehicles shall be available as part of the motor vehicle pool for work use during normal Council hours except whilst the employee is on approved leave.

4.5 Ownership

Under no circumstances is an employee to assert any right of ownership or control over the use of a vehicle which may reduce the availability of the vehicle for use on Council business.

5 Definitions

In this Policy, the following definitions are used:

- **“Private Use”**
Is the use of a Council vehicle by an employee, or associate of an employee, outside of Council’s normal hours of operation, including weekends, public holidays, annual or other leave (subject to 8.4 and 8.5). Lunch hours are deemed to be during normal working hours, but where the vehicle is not required for business use during that period, then the employee is entitled to use the vehicle for private use.
- **“Commuter Use”**
Relates solely to travel by an employee associate between their home and place of work Travel that is incidental to ravel in the course of duties of employment. Non-work related use that is minor, infrequent and irregular (for example occasional use of vehicle to remove domestic rubbish) with approval from the General Manager.
- **“Executive Staff ”**
Refers to the General Manager and Executive Managers where a light vehicle is negotiated as part of an Employment Agreement, within the limitations of this Policy.
- **“Professional Staff”**
Are those officers where a light vehicle is available for Private Use as part of the conditions of employment.
- **“Specialist Staff”**

Are those officers requiring a vehicle for work and/ or use a Council light vehicle extensively during the day.

- “Operating Costs”
Includes all payments for fuel, oil, normal wear and tear on tyres, registration, insurance, NRMA membership, scheduled maintenance and services. Employees will be reimbursed for the cost of maintenance to Council vehicles including urgent repairs. Car wash and detailing costs may be approved. Extraordinary items such as insurance excess, windscreen damage, tyre repairs, etc., will be excluded from cost calculations as these costs do not relate to normal wear and tear associated with private use.

- “Lessee”
Includes employees or Councillors who have been offered (private) use of a Council vehicle.

- “Motor Car”
The following types of vehicles (including four-wheel-drive vehicles) are motor cars (FBT definition)
 - Motor cars, station wagons, panel vans and utilities (excluding panel vans and utilities designed to carry a load of one tonne or more);
 - All other goods-carrying vehicles with a designed carrying capacity of less than one tonne;
 - All other passenger-carrying vehicles with a designed carrying capacity of fewer than nine occupants.

- “Non Motor Car”
All vehicles that do not meet the definition of a motor car as described above.

- “Operating Cost Method”
The FBT taxable value of a car fringe benefit expressed as a percentage of the total costs of operating the car during the FBT year. The percentage varies with the extent of actual private use. The lower the incidence of private use, the lower will be the taxable value.

- “Normal Work Site”
Is the relevant Council workshop, office or depot to which the employee is usually assigned and/or any other starting and finishing point as agreed between the employee and the General Manager.

- “Commuter Distance”
Is the distance measured in kilometres from the normal work site to the employees residence.
- Commercial Use
Private direct commercial use where the employee gains a financial benefit. eg. use of vehicle for trade activities, transport of fence posts, wire, bulk feed.

6 Standard of Vehicles

The following conditions apply to the provision of vehicles under this Policy.

6.1 General Conditions

6.1.1 Vehicle Types

Decisions as to the make and model of vehicles shall be made by the General Manager, having regard to market fluctuations, the requirements of the position and the level of investment in the light fleet. In so doing, the aim will be to minimise the whole of life cost of vehicles to Council.

6.1.2 Performance Vehicles

Eight cylinder cars and/or high performance sports cars are not to be provided.

6.1.3 Councillors

Councillors may be provided with a vehicle only in accordance with Council's *Policy for the Payment of Expenses and Provision of Facilities to Councillors*.

6.2 Vehicle Categories

The following general descriptions are provided for the vehicle categories used in this Policy. The classification of a particular make and model into the relevant category is at the General Managers discretion, subject to the descriptions provided below;

6.2.1 Select Vehicle

This describes any vehicle valued at or above the Standard Vehicle Threshold Value shown in Annexure 3, and as adjusted from time to time. Select Vehicles are only available to **Executive Staff** and must still comply with the requirements of this Policy. The purchase price for this type of vehicle shall not exceed \$60,000 ex GST.

6.2.2 Standard Vehicle

This describes the standard vehicle for **Executive Staff** and **Professional Staff** and is typically equivalent to a Ford Falcon or Holden Commodore. The provision of a sedan or wagon is at the discretion of the Lessee, subject to suitability for the requirements of the position as determined by the relevant General Manager. The purchase price for this type of vehicle shall not exceed \$35,000 ex GST.

6.2.3 Economy Vehicle

This describes vehicles such as 4 cylinder passenger and commercial vehicles as well as hybrid vehicles of any engine size. Classification of a particular make and model in this category may be subject to an analysis of whole of life cycle costing. The purchase price for this type of vehicle shall not exceed \$32,000 ex GST.

6.2.4 Operational Vehicle

This describes any vehicle where the requirements of the position dictate the type of vehicle. For example a one tonne utility, van or light truck. These vehicles are typically **Non-Motor Car** type vehicles. The purchase price for this type of vehicle shall not exceed \$36,000 ex GST.

6.3 Vehicle Optional Extras

6.3.1 Standard Options

The following options **will** be provided by Council as standard on all vehicles made available for lease back;

- Air Conditioning
- ABS Brakes
- Power Steering
- Driver and front passenger air bags
- Mudflaps (front and rear)
- Floor mats (fronts and rear)
- First Aid kit
- Two-way radio
- Mobile phone kits (where the **Lessee** is allocated a Council mobile phone)
- Roadside Assistance (**Private Use** vehicles only)

6.3.2 Requested Options

Other options may be requested by the Lessee, such as those listed below. The provision of requested options shall be at the discretion of the General Manager, subject to the requirements of the position. Examples include, but are not limited to, the following;

- Four wheel drive
- Tow bar
- Roof racks
- Sun visors
- Fire extinguisher
- Tool boxes

- Flashing lights and assemblies
- Spotlights
- Calibrated odometers
- Power front windows
- Cruise control

6.3.3 Other Options

Other options may be included at the discretion of the General Manager, having regard to market forces, potential resale values, and life cycle costing. This could include, but is not limited to, the type of options listed below;

- Alloy wheels
- Body kits and style sides
- Weather shields
- Tinted windows
- Interior upholstery fabric
- Bull bars and roll bars
- Seat covers
- Bonnet and headlight protectors
- Any option listed under Requested Options not nominated by the General Manager

7 Provision of Vehicles

7.1 Executive Staff

Executive Staff are able to negotiate the vehicle type as part of their employment contract, within the limits of this Policy. They are given a choice of **Private Use** or **Commuter Use**.

7.2 Professional Staff

Professional Staff are entitled to access to a **Standard Vehicle** as part of their conditions of employment. They can nominate an **Economy Vehicle** or **Operational Vehicle** at their discretion. They are given a choice of **Private Use** or **Commuter Use**.

7.3 Specialist Staff

Specialist Staff are entitled to access to a **Standard Vehicle** as part of their conditions of employment, subject to the requirements of the position as determined by the General Manager. They can nominate an **Economy Vehicle** or **Operational Vehicle** at their discretion, subject to the requirements of the position as determined by the General Manager. They are given a choice of **Private Use** or **Commuter Use**.

7.4 On-Call Staff

Any staff who do not have an agreement for commuter use of a vehicle and are required to be on-call or work outside normal hours may be provided with an **Operational Vehicle** for **Commuter Use** during periods

they are on-call or required to work outside normal hours. Any such provision of a Council vehicle will not be subject to employee contributions. Any staff who have an agreement for commuter use who are required to be on-call and have a vehicle provided on an ongoing basis are still required to pay contributions when on call.

7.5 Group Transport

An employee may be provided with an **Operational Vehicle for Commuter Use** where Council receives an operational advantage or measurable efficiency gains through the daily transport of employees to work sites at the commencement of the working day, or where the employee commences work on a usual daily basis at rural work-site remote from Councils Depots. Any such provision of a Council vehicle will be at the General Managers discretion and will not be subject to employee contributions.

7.6 Special Circumstances

The General Manager shall have the discretion to approve minor, infrequent and irregular use of Council vehicles to any staff member (e.g. an employee borrowing a utility to move house).

7.7 Council Use of Private Vehicles

Where no Council vehicle is available, Council may allow an employee to use their own private vehicle for Council business. In such circumstances, the employee will be reimbursed in accordance with the rates and conditions of the relevant employment Award.

All private vehicles used for Council purposes must be comprehensively insured. Proof of insurance must be provided prior to use.

8 Contribution Towards Costs

8.1 Staff Employment Contracts

Where calculations of employee contributions are specifically outlined in Employment contracts, then those calculations will apply.

8.2 Contribution Calculations

Employees will contribute towards the operating cost of the vehicle by way of regular deductions from their wages.

The basis of the calculation will be the cost of the vehicle multiplied by 20% (FBT amount) as a weekly amount.

When applying this increase, should a conflict with Award occur then Award will prevail.

8.3 Weekend and Leave Usage

Where an employee has been provided a vehicle for Private Use, they will be allowed a full tank of fuel prior to weekends and going on leave. Any extra fuel required by the employee prior to returning to work is to be paid for by the employee and will **not** be reimbursed by Council.

Where the General Manager considers weekend and leave usage to be excessive, the employee may be required to submit log book records in accordance with 10.2.4 and may be required to make additional contribution payments where it can be proven that the private travel fuel costs exceed the employee's contributions.

8.4 Option to Return Vehicle

In the case where an employee has private use of a vehicle, during periods of leave or other absence of two (2) continuous weeks or more the **Lessee** may elect to return the vehicle to Council. Lease payments will be temporarily suspended from the commencement of the next pay period following return of the vehicle.

In these circumstances Council reserves the right to reallocate the returned vehicle to another employee without any Private Use or may place the vehicle in a vehicle pool where it will be available for the business needs of any other employee. Any such decision will be made at the discretion of the General Manager.

8.5 Review During Extended Leave

In the case where an employee has a vehicle for **Commuter Use** only, and the employee takes a period of extended leave (including sick leave) in excess of two (2) continuous weeks, the position regarding the use of the vehicle is liable for review by the relevant General Manager.

In such cases the vehicle may be required to be returned for the use of another member of staff or the vehicle pool on the understanding that any lease payments will be suspended for the period of leave.

9 Variation

The Policy may be varied subject to the following provisions:

9.1 Variation of Leaseback Vehicle arrangements (Award Provision Clause 15)

Award 15 C(iv) – Proposals to vary leaseback vehicle arrangements, including the formula for calculating the leaseback vehicle fee shall be referred to Councils Consultative Committee.

Award 15 C(v)- A Council shall not increase the leaseback vehicle fee an employee is required to pay in any one year by more than ten (10) percent or the percentage movement in the index figure published by the Australian Bureau of Statistics for Eight Capitals, private motoring sub-group (Cat No 64010.0), whichever is the greater. The subclause shall not apply where the leaseback vehicle fee is adjusted to reflect changes in the type of vehicle being used (including changes in vehicle options, the class, model or make of vehicle).

Award 15 C(vi) - Where an employee's hours of work change significantly or the employee is absent on approved leave for an extended period, the council and the employee shall discuss whether the employee will be allowed to retain possession of the vehicle and/or whether the leaseback vehicle fee is adjusted. In the event that the leaseback vehicle fee is to be adjusted Award clause 15C(v) shall not apply. In the absence of agreement, Grievance and Dispute Procedures shall apply.

This Policy or an individual employee agreement may be varied by Council at any time, subject to Council giving six months written advice of proposed alterations to affected employee(s). This is with the exception of the annual adjustment to contribution rates, which will apply from the first full pay period after July 1 each year.

10 Agreement

All staff having private use of a Council vehicle will be required to sign a Vehicle Use Agreement and abide by the conditions of this Policy.

10.1 Obligations of Council

10.1.1 Fully Maintained

Vehicles are provided on a fully maintained basis. Council will ensure that vehicles are maintained and serviced in accordance with the manufacturers vehicle maintenance schedules. Council will provide Roadside Assistance with all lease back vehicles with **Private Use**.

10.1.2 Operating Costs

Council will meet all operating costs including fuel, oil, tyres, registration, insurance, scheduled services, NRMA membership, etc.

Any fuel purchases or other running expenses whilst on Council business will be reimbursed by Council upon production of proper receipts by the **Lessee**.

10.1.3 Statutory Costs

Council will meet all costs associated with Fringe Benefits Tax and Goods and Services Tax that may be applied as a result of the non-business use of the vehicle.

10.1.4 Acquisition & Disposal Costs

As the vehicles are provided primarily for business use, all costs associated with the initial acquisition or sale of the vehicle will be met by Council.

10.1.5 Replacement Vehicle

In the event of the original vehicle being un-roadworthy for any reason, Council will provide a substitute vehicle. If no substitute vehicle is available from within Council's fleet, a vehicle may be obtained at the discretion of the General Manager.

10.1.6 Vehicle Changeover

All vehicles will be replaced at such times as may be determined by the General Manager so as to maximise the return to Council. Council is required to consult with the **Lessee** prior to the replacement of any lease back vehicle. The General Manager is to ensure employees are consulted in relation to the vehicle category and non-business usage type prior to committing to any replacement vehicle.

Lessee's will have the option of reviewing their vehicle category and non-business use at the changeover of each vehicle. There is no obligation on Council to allow a **Lessee** to change arrangements once they have nominated their preference and entered into an Agreement, prior to the changeover of the current vehicle.

10.2 Employees' Obligations

The following provisions outline employee obligations under this Agreement.

10.2.1 Restrictions on Use

Lessees shall not permit the vehicle to be used in or for:

- any car rally
- any competition

- the purpose of teaching a learner driver
- any private direct commercial use
- off-road non council use
- any other circumstance identified as inappropriate by the General Manager
- no animals to be transported in vehicles.

10.2.2 Drivers

With the exception of Council employees; only persons who hold a current class C or higher drivers' licence are permitted to drive Council vehicles.

The vehicle may be driven by a Councillor, an employee of Council, a spouse, partner or immediate family member duly nominated by the Councillor or employee, or by any other person when accompanied by the Councillor or employee.

Temporary and short term swapping of leased vehicles is permitted between **Lessee's** at their discretion.

10.2.3 Vehicle Care

The lessee will:

- Ensure the vehicle is kept in a clean and tidy condition.
- Regularly check fuel, oil, water, battery and tyres.
- Only staff members are permitted to access fuel facilities at the depot
- Present the vehicle for service and maintenance when directed or required by the Fleet Manager.
- Park the vehicle off the street at home, unless otherwise approved by the General Manager.
- Immediately report any accident causing damage to the vehicle to the Fleet Manager.
- Immediately inform the General Manager and/or the Fleet Manager if the Lessee's license is withdrawn, suspended, cancelled or limited with any conditions. In this situation the lease agreement may be terminated or suspended immediately at the General Manager's discretion.

10.2.4 Record Keeping

The Lessee shall submit logbook records (compliant with Fringe Benefits Tax requirements) as required by the General Manager. Generally Log Books are required in the following circumstances;

- For all non-motor cars
- For any motor car where the Lessee chooses to calculate the contributions by the Operating Cost Method.

The Lessee shall provide odometer readings as required by the General Manager.

10.2.5 Accident or Breakdown

Council will provide Roadside Assistance with all lease back vehicles with **Private Use**, but should an accident or breakdown occur and Roadside Assistance is not readily available for any reason, the driver may arrange urgent repairs and replacement parts if necessary. Only recognised dealer service centres should be used to carry out repairs, where available. Reimbursement will be made upon production of relevant receipts and proof of expenditure.

Where a vehicle is provided for **Commuter Use**, any accident or breakdown is to be reported to Councils Workshop staff immediately and they will arrange for repairs.

10.2.6 Insurance Excess

The Lessee will be responsible for any insurance excess incurred by Council for damage occasioned to the vehicle during periods of private use, including travel to and from work, where it is determined that the Lessee was at fault. Any age excess applicable to a claim is to be paid in full by the Lessee except where the driver is an employee of Council.

10.2.7 Breach of Insurance

Lessee's are prohibited from using the vehicle in a manner that may contravene Council's insurance policy and result in the voidance of insurance cover or the manufacturers warranty.

The **Lessee** must pay the full amount of any claim by Council's Insurers due to breach of the insurance contract by any action of the **Lessee** or other driver approved by the **Lessee**.

10.2.8 Frequent Damage

In the event of frequent damage to Council vehicles or third party property, the General Manager, after consideration of the nature of the damage and degree of negligence, and following consultation with the **Lessee**, may direct the **Lessee** to pay any insurance excess or to pay the cost of repairs whichever is the lesser amount.

10.2.9 Fines or Penalties

The **Lessee** shall be responsible for all parking and traffic fines or infringements arising from the non-business use of the vehicle. Any fines

or infringements incurred during normal Council business will be the responsibility of the driver at the time of the infringement.

10.3 Termination

The Agreement may be terminated by the General Manager in any one of the following circumstances:

10.3.1 Giving Notice Award Provision 15 B Termination of Leaseback Vehicle Agreement

- (i) Condition of employment – Where a Council and an employee enter into a leaseback vehicle agreement and the employee is entitled to a leaseback vehicle as a condition of employment, the arrangement may only be terminated by agreement
- (ii) Not a condition of employment – unless provided, where a Council and an employee enter into a leaseback vehicle arrangement and the employee is not entitled to a leaseback vehicle as a condition of employment, the Council shall give a minimum of six(6) months written notice of termination of the arrangement.

10.3.2 Cessation of Employment

The **Lessee** (staff member) ceases to be an employee of Council.

10.3.3 Vehicle No Longer Required for Job

The vehicle is considered no longer necessary for the position. This excludes cases where the vehicle is provided as part of the letter of offer of employment, or forms part of the contract of employment, unless agreed to by the **Lessee**.

10.3.4 Serious Traffic Offence

Forthwith on conviction of a serious traffic offence such as drink driving or culpable driving and any loss of Licence.

10.3.5 Breach of Conditions

If the **Lessee** has not adhered to the conditions of Agreement, and has been given notice of the same. Any such action in this regard shall be undertaken in accordance with any Award conditions, conditions of employment contract, and Councils policy and procedures for disciplinary action as set from time to time.

Annexure 1 – Contributory Use Agreement

I,.....hereby accept the permission granted to me to use Council Vehicle No., and I agree to the conditions of use outlined in Council’s Vehicle Use Policy which have been explained to me.

I hereby authorise Council to deduct the amount of \$..... from my weekly wage as contribution towards costs associated with my private use of the vehicle. (Note: Contribution rates are automatically amended on an annual basis in accordance with the Vehicle Policy).

I hereby accept the vehicle category of [**Select Vehicle – Standard Vehicle – Economy Vehicle –Operational Vehicle**] and the non-business usage of [**Private Use – Commuter Use**] as defined in Councils Vehicle Policy.

**General Manager
(or nominee):**

Name

Title

Signature

Dated: _____ / _____ / _____

Lessee:

Name

Title

Address

Address

Signature

Dated: _____ / _____ / _____

Annexure 2 – Remuneration Packaging Use Agreement

I,.....hereby accept the permission granted to me to use Council Vehicle No., and I agree to the conditions of use outlined in Council's Vehicle Use Policy which have been explained to me.

I hereby nominate the amount of \$..... as the salary sacrifice from my Gross Remuneration Package as contribution towards costs associated with my private use of the vehicle. (Note: Contribution rates are automatically amended on an annual basis in accordance with the Vehicle Policy).

I hereby accept the vehicle category of [**Select Vehicle – Standard Vehicle – Economy Vehicle –Operational Vehicle**] and the non-business usage of [**Private Use – Commuter Use**] as defined in Councils Vehicle Policy.

**General Manager
(or nominee):**

Name

Title

Signature

Dated:

____/____/____

Lessee:

Name

Title

Address

Address

Signature

Dated:

____/____/____

Annexure 3 – Contribution Towards Costs

Vehicle Threshold Value = \$35,000 (GST Excl)

Tables 1 and 2 below set out the contributions towards non-business use of Council vehicles. All figures are GST inclusive.

**Table 1. For Staff Commencing after adoption date of policy
Weekly contributions for Private Use and Commuter Use of a Motor Car**

Vehicle Category	Weekly Contribution
Economy Vehicle	Purchase price x 20%
Standard Vehicle	Purchase price x 20%
Operational Vehicle	Purchase price x 20%
Select Vehicle	Purchase price x 20%

Table 2. For existing Staff on previous policy from July 1, 2013

Vehicle Category	Commuter Distance (km)		
	0-25	25-40	Over 40
Economy Vehicle	\$69.00/wk	\$83.00/wk	\$89.00/wk
Standard Vehicle	\$100.00/wk	\$117.00/wk	\$124.00/wk
Operational Vehicle	\$81.00/wk	\$95.00/wk	\$103.00/wk
Select Vehicle	\$95.00/wk	\$100.00/wk	\$112.00/wk

Note: For current employees the Award Clause 15C will be applied and contributions will be increased by 10% per year until they equal the adopted contribution

**Table 2.
Contributions per km for Private Use and Commuter Use of a Non-Motor Car**

Vehicle Category	Type of Non-Business Use	
	Commuter Use	Private Use*
Economy Vehicle	14 c/km	32 c/km
Standard Vehicle and Operational Vehicle	19 c/km	42 c/km
Select Vehicle	23 c/km	52c/km

* The Lessee can elect to have contributions to non-business use calculated using the Operating Cost Method – See Annexure 4 for additional information.

* Where private usage has been estimated incorrectly the difference is payable by the employee

Annexure 4 – Operating Cost Method

How the operating cost method works

The taxable value of the car fringe benefit is a percentage of the total cost of operating the car during the FBT year. This percentage is based upon actual business/private usage of a car via maintenance of a car logbook.

The operating costs of a car include some actual costs and some deemed costs. These total operating costs are different to those that are relevant for income tax purposes.

The taxable value of the car fringe benefit is the private use percentage of the total costs of operating the car during the FBT year. The percentage varies with the extent of actual private use. The lower the incidence of actual private use, the lower will be the taxable value.

$$(C \times (100\% - BP) - R)$$

Taxable value =

C is the operating cost of the car during the holding period.

BP is the business percentage applicable to the car for the holding period.

R is the amount of any recipient's payment attributable to the holding period.

The operating costs of a car include some actual costs and some deemed costs.

Deemed operating costs

The deemed operating costs are those expenses deemed to be incurred in respect of depreciation and interest. They are only relevant if the car is owned rather than leased by the employer.

Deemed depreciation is calculated by multiplying the depreciated value of the car at the start of the FBT year by 22.5%. If the car was not used to provide fringe benefits for the full year, the depreciation should be apportioned to reflect the period when it was so used.

The depreciated value of a car for the year in which it is acquired is the cost of the car, including the cost of non-business accessories. In a subsequent year it is the cost of the car reduced by depreciation at the rate of 22.5% per annum over the period of ownership.

Actual operating costs

The actual operating costs are those expenses incurred in respect of:

- repairs, but not crash repair expenses met by an insurance company or any other person legally responsible for the damage to the car;
- maintenance;
- fuel;
- registration and insurance;
- leasing costs if the car is leased rather than owned.

Operating costs paid by a person other than the employer (eg the employee or an associate) are also included for the purposes of calculating total operating costs of a car in a year.

Employee contribution

The amount that would otherwise be the taxable value is reduced by the amount of the employee's contribution. The employee's contribution may be an amount paid directly by the employee to the employer for use of the car.

The employee may also make a contribution by paying for some of the car's operating costs. Car expenses met by the employee can be applied as an employee contribution; however, the employee must supply documentary evidence of the expenditure to the employer.