

# Policy on Agency Motor Vehicle Usage

Date adopted.....

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## **MOTOR VEHICLE POLICY**

### **BACKGROUND**

OptimumChoice will conduct its business honestly and ethically. We will constantly improve the quality of our services and create a reputation for honesty, fairness, respect, responsibility, integrity, trust, and sound business judgment.

OptimumChoice is a disability services organisation which is governed by the Corporations Act 2001 and the Organisation's Policies.

### **PURPOSE**

OptimumChoice was established for the purpose of providing quality services to improve the lives of people with disabilities to ensure that their individualities are recognised, and their safety is paramount.

These Policies and Procedures apply to vehicles operated and owned by OptimumChoice.

The Policy and Procedures apply to all staff or employees who have access to or require a vehicle to carry out their duties.

All procedures and/or processes set out herein must be complied with at all times unless approved otherwise by the Manager.

Unauthorised non-compliance with any part of the Policy may result in loss of vehicle usage.

## **SAFE OPERATION AND THE DRIVER SAFETY POLICY**

OptimumChoice is committed to all aspects of safe vehicle operation. Accordingly, staff shall have a current WA drivers' license and adhere to safe driving practices such as speeding, use of alcohol and drugs whilst working, driving, use of seat belts, awareness of driver fatigue, restricted use of mobile phones (only with Bluetooth), country driving, handling emergencies, towing, following distances, pre-driving checks, crossing waterways, roadways and overtaking.

The manager shall ensure employees under his/her control are suitably experienced or trained in the use of the vehicles they are operating, and in safe operation, they pay particular attention to:

- Passenger safety and appropriate safety restraint usage such as seat belts in the front and back seats
- Safely secured wheelchairs when transporting clients

## **VEHICLE**

OptimumChoice vehicles are to be maintained in a safe condition at all times and shall be regularly inspected in accordance with the following process, with all deficiencies being promptly reported and rectified.

Care must be taken to ensure that appropriate safety standards are maintained when fitting operational equipment, accessories, and modifications such as tow bars, telephone guards etc.

## **ROLES AND RESPONSIBILITIES**

The Organisation has overall responsibility for the efficient and effective management of the organisational vehicles and for adhering to the Policy Objectives.

The Coordinator/Driver is responsible for the day-to-day management of the vehicle including maintenance, safety, cleanliness, fuel etc. The Coordinator/Driver is also responsible for:

- Advising the Managers of any driving restrictions, or loss or potential loss of drivers' license immediately where it will affect their ability to carry out duties
- Compliance with all road rules/regulations and parking by-laws
- Refuelling the vehicle and providing odometer readings to the fuel attendant
- Accurate and legible completion of vehicle log sheets, if required
- Keeping the vehicle in a clean and tidy manner
- Ensuring the vehicle is maintained in a safe condition and immediately reporting any defects where the vehicle may be un-roadworthy to the Manager
- Ensuring the vehicle is locked when not in use and is adequately secured when parked or left unattended
- Ensuring confidential material is not left in an unattended vehicle
- Ensuring standard preventative checks are performed and checking general vehicle roadworthiness on a regular basis – tire wear/pressure, brakes, lights, oil/fluid levels, etc.
- Ensuring equipment and goods are adequately secured
- Advising the Manager of any accidents, scratches, and dents

## **1. PROCEDURES**

### **3.1 LONG TERM REQUIREMENT - Acquiring Additional or Replacement Vehicles**

Additional replacement vehicles will only be acquired based on operational justification. The selection of the type of vehicle will be

determined on operational suitability, safety, environmental and whole of life costs.

Appropriate documentation, as described below, shall be prepared for each additional and replacement vehicle that describes the business need and operational requirements of the vehicle that demonstrates the chosen vehicle is “fit for purpose”.

### ***Additional Vehicles***

The process of acquiring an additional vehicle requires the Manager/Board of Managers to identify the business need and operational requirements of the vehicle.

### ***Replacement Vehicles***

For replacement of existing vehicle(s), the Manager decides and finalises the justification for each replacement vehicle to confirm the continuing business need and operational requirements for the vehicle.

**Reasons for justifying an additional/replacement vehicle should consider:**

- General description of the vehicle needs such as; visiting consumers, transporting consumers to appointments, increased number of consumers etc.
- Proposed vehicle utilisation (i.e. estimated annual kilometers) and a number of hours per week the vehicle will be used for operational requirements.
- Length of time the vehicle is required for i.e. short term or long term requirements.
- Availability of sharing an existing vehicle.

## **Reasons for justifying the type of replacement/additional vehicle should consider:**

- Requirements for carrying passengers.
- Type, the weight of equipment to be carried and load space requirements.
- Distances to be traveled.
- General “Pool Usage” requirements.

## **Selection of Vehicle Type**

The process for selection will include an analysis of comparable vehicles that meet the operational requirements together with the following:

- Vehicles will be base model only unless operationally justified or 6 cylinder vehicles shall be selected where a clear business case can be made for a 4 or 6-cylinder vehicle if economically and operationally feasible.
- The whole of Life costing shall be considered that includes, lease, operational and vehicle accessory costs.
- Vehicle emissions shall be considered by analysing the vehicle manufacturers’ specified carbon dioxide (CO<sub>2</sub>) emissions.
- A minimum 4-star ANCAP rating, where available, shall be considered and the following mandatory safety features shall be included:
  - Dual front airbags – where available
  - Anti-lock/skid Breaking System – except for commercial and off-road vehicles
  - Cargo barriers – for all station wagons

- Window tinting – with appropriate tinting
- Any other recognised safety feature approved by the Manager e.g. seatbelt reminder systems, blue tooth/hands-free, tire pressure monitors.

### **Vehicle Accessories and Equipment**

All vehicle accessories and equipment shall have prior approval from the Manager or the Managers and only those accessories required for operational use that meet required safety standards are permitted on OptimumChoice vehicles.

### **Rotation of Vehicles to new Duties**

All vehicles usage is approved on the basis of performing the operational needs of a “specific role” as detailed in the policy. No vehicle is to be re-allocated to a different role without clearance by the Manager/Board of Managers.

### **Vehicle Inspection Process**

**All drivers** are required to undertake the following simple vehicle checks:

Regular Checks	Weekly Checks	Monthly Checks
Water & fuel levels	Engine/transmission oil level	Battery fluid level
Tyre deflation	Radiator coolant level	Spare wheel tire pressure/damage
Tyre tread, damage & bulges	Tyre air pressure	Clutch fluid level
Working driving lights		Brake fluid level
Working windscreen wipers		Power steering fluid level
Windscreen damage		Windscreen washer fluid level

## **FRINGE BENEFITS TAX**

All passenger-classified vehicles are subject to Fringe Benefits Tax when used in part for personal use. In general, passenger classified vehicles are any vehicle other than utilities – commercial vehicles.

Personal use for determination of Fringe Benefits Tax includes any home commuting regardless of whether the commuting also results in a benefit to Fringe benefits Tax that is determined from Monthly Vehicle FBT Log Sheets that are completed by all drivers of vehicles. Fringe Benefits Tax is determined by the lower of the Statutory Formula and Operating Cost method and is payable by OptimumChoice, not the driver of the vehicle.

The Australian Taxation Office requires Fringe Benefits to be recorded on employees' Payment Summaries (Group Certificates). The effect of the Fringe Benefit on employees differs from employee to employee and can affect items such as family allowance, child support, Medicare levy surcharge, the superannuation surcharge and higher education contribution scheme payments. Drivers should consult with their accountant or financial adviser for further clarification.

Use of the Main Roads vehicle will only be granted subject to completion of all FBT requirements.

## **LOG SHEETS AND VEHICLE USAGE RECORDING**

### **Log Sheets**

Monthly motor vehicle log sheets are used to determine Fringe Benefits Tax applicable to vehicles, to assist in the justification of the continued use of vehicles and minimise overall costs.

Log sheets detailing the use of all Fringe Benefits Tax attracting vehicles must be maintained on an on-going monthly basis. Fringe



Benefits Tax exempts vehicles that must maintain logs for a minimum of three months initially, with a new three-month period completed whenever usage patterns change by 15%.

Log sheets must be left in the vehicle to ensure all drivers can enter their usage details. If a vehicle is shared between different drivers during a month, a common log sheet must be maintained. Drivers may take copies of the log sheet if required for their personal records.

Full details on log requirements for compliance with Australian Taxation Office legislation are available in a separate document. General requirements, however, include recording:

- the vehicle registration number
- the period covered by the log sheet
- the opening and closing odometer readings for the month and monthly totals for business and private usage
- details of each trip as a separate entry - each entry shall record the purpose/reason and destination of the trip, plus start and finish odometer readings and the distance traveled
- the purpose shall describe the reason for the trip such as client visit or appointment to and from and includes the name of the consumer
- entry of business details shall be separate from personal trips
- calculation of separate totals for the period for business and personal use
- consecutive business trips (no personal trips in between) may be recorded as a single entry
- to satisfy Australian Taxation Office requirements to record the effect of Fringe Benefits on driver's group certificates requires sufficient identification of driver details for any personal use –

either each home trip should be recorded with the drivers' name, or other indication included on the log to identify the driver of each of the home trips

- log sheets must be completed in a legible manner as the details entered are required for FBT calculations – illegible recordings could result in incorrect FBT calculations

## **OPERATIONAL ISSUES**

### **Fuel**

All staff driving vehicles are responsible for ensuring that at least half a tank of fuel is maintained at all times. This includes the vehicle's nominated driver and all other drivers who use pool vehicles.

All fuel shall be purchased at ..... Cards are limited to the standard fuel types. "Premium" class fuels shall not be purchased. Drivers may only use cards for the fuel type recommended for the vehicle and for oil requirements.

Drivers in the metropolitan area shall make every endeavor to purchase fuel at the bottom of the fuel price cycle. To ensure the best price is obtained drivers should register with "FUEL WATCH" where they will receive personalized emails on the cheapest fuel available in their nominated suburbs. There is no charge for the "FUEL WATCH" service.

**When refueling at participating service stations, the vehicle's odometer reading must be supplied to the fuel attendant.** This reading is used as the basis for scheduling services and eventual replacement of the vehicle.

Where it is not possible to refuel at a participating fuel station or it is not appropriate to establish an account, drivers should arrange to pay for their fuel then obtain reimbursement from the Finance and Administration section of OptimumChoice. Details of the vehicle, the

odometer reading and the amount and cost of fuel purchased must be supplied.

### **Servicing**

The timing of vehicle services is determined by the odometer readings.

Servicing will be completed by mechanics or dealers as nominated and payment for servicing under these arrangements will be handled by minimising lost operational staff time. The service agent used will preferably be a mobile mechanic or any other service agent who can offer a courtesy vehicle for that day.

### **Mechanical Repairs**

All vehicle repairs should be carried out by a qualified mechanic. No credit for lease or other operational costs will be made available for vehicles out of service.

### **Parking**

Parking vehicles are to be in accordance with all local by-laws. Vehicles should be left fully secured with any valuables removed or hidden from view.

### **Traffic and Parking Infringements**

All organisational vehicle drivers are responsible for operating and parking vehicles in accordance with all relevant traffic and parking laws.

Notation of drivers other than the normal custodian must be entered into a log sheet in order to cater for traffic or parking infringements. It will be the normal custodian's responsibility to identify the driver at the time of an infringement.

Excessive or severe traffic infringements may lead to suspension of use of a vehicle.

## **Vehicle Cleaning**

As far as practical, all drivers are required to maintain their vehicle in a clean and tidy manner with general rubbish being removed after each trip.

## **Personal Effects**

Personal possessions must not be left unattended in vehicles. All drivers and passengers are responsible for their own personal possessions. Insurance cover is not provided for personal effects.

## **Breakdown**

The cover costs of towing and repairs to vehicles used should be in compliance with the Policy and Procedures, however, drivers will be responsible for any costs that may be incurred as a result of the drivers' non-compliance. While waiting for assistance vehicles should not be left by the roadside in an unsafe manner.

## **Accidents**

Drivers are to remain at accident scenes to offer assistance where required by Police or other authorised persons. All accident-related vehicle repairs should be carried out by a qualified mechanic approved by the Motor Vehicle Insurance Company. Insurance authorisation is essential prior to repairs being carried out.

## **Insurance**

The Organisations vehicles are to be comprehensively insured. Insurance cover does not extend to personal effects, or to damage to the property of staff. Accident claim forms will be completed by the driver and are available from Finance and Administration personnel.

## **Authorised Drivers**

The vehicles are only to be driven by employees who hold the appropriate license and any other required permit.

## **Leave**

During periods of leave, the vehicle should be returned to the office or a different arrangement can be negotiated and approved by the Manager. If the Manager has approved the use of the vehicle during leave, then the driver is responsible for any and all personal or incidental expenses incurred if stranded due to vehicle fault, loss or damage.

## **Smoking**

Smoking is not permitted in vehicles.

## **AFTER HOURS USE**

### **Home Commuting and Private Usage**

This is an employment condition which will be negotiated between the Manager and the driver and the spouse of the driver must also comply with policies listed above.

## **REVIEW OF THE POLICY**

This policy will be reviewed on a bi-annual basis. However, if at any time the legislative, policy or funding environment is so altered that the policy is no longer appropriate in its current form, the policy shall be reviewed immediately.