



# **WEDDIN SHIRE COUNCIL**

**POLICY NUMBER: 14.23.2**

## **POLICY FOR PRIVATE USE OF VEHICLES**

**Adopted: 17 August 2017**

## **POLICY FOR PRIVATE USE OF VEHICLES (NO. 14.23.2)**

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1. **Title:** Policy for Private Use of Vehicles
2. **Number:** Policy Number 14.23.2
3. **Purpose**  
The purpose of this policy is to set out the conditions under which approved employees may use council's vehicles for private purposes.
4. **Application**  
The policy applies to the General Manager, all Directors and to other employees approved by the General Manager to use a vehicle for private purposes.
5. **Associated legislation and other references**  
Australian Tax Office regulations and guidelines for Fringe Benefits Tax  
Resolution 040 – Council Meeting 21 July 2011  
Resolution 517 – Council Meeting 16 May 2013
6. **Definitions/Acronyms**  
FBT – Fringe Benefits Tax  
LGNSW – Local Government NSW
7. **Conditions of Use**  
Where the use of Council's vehicle for private purposes is approved, the use will be subject to the following conditions:
  - (i) vehicles to be available for business use during normal working hours (excluding leave);
  - (ii) travel outside NSW and ACT to be subject to approval of the General Manager;
  - (iii) travel from home to work is deemed to be private use.
  - (iv) vehicles to be driven by the approved employee or any other licensed driver (not learner or Provisional) in the presence of the employee, unless otherwise approved by General Manager.
  - (v) the only vehicle to be used for private purposes shall be that vehicle allocated to the employee for work purposes, unless otherwise approved by the General Manager.
  - (vi) except as described in (i) to (iv) above, use of private purposes is unlimited.
  - (vii) an employee may request that the scheme be suspended temporarily for a minimum period of two weeks. In these circumstances the vehicle shall be garaged on Council's premises or as otherwise approved by the General Manager.
8. **Charges**  
This policy acknowledges that Council is required to pay certain costs (eg registration, insurance, depreciation etc) as part of having its vehicles available for work purposes. Any additional costs are to be taken into account in calculating the charge to the employee. These additional costs are:
  - Fringe Benefits Tax (FBT)
  - running costs (apportioned)Running costs are to be determined from the actual figures for Council's vehicles, or by reference to figures published by Local Government NSW.

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As resolved by Council on 21 July 2011 (Res 040), the employee's contributions to FBT shall be calculated by using the statutory rates in the following table:

Distance per annum	Statutory Rate
0-15,000km	0.26
15-25,000km	0.20
25-40,000km	0.11
over 40,000km	0.07

### **9. Payment**

Payment of the charges for private use may be made by salary sacrifice but preferably from after-tax wages.

Where the employee's effective payment by salary sacrifice is less than by after-tax payment, Council will require the employee to pay the equivalent salary sacrifice amount as an after-tax payment where this has the effect of reducing Council's assessment for FBT, as resolved by Council on 16 May 2013 (Resolution 517).

An estimate of the likely costs to be incurred shall be made at the beginning of each FBT year (1 April), and the weekly payment so determined.

A reconciliation of actual vs estimated costs shall be carried out at the end of each FBT year (30 March) or end of the private use, and the appropriate adjustment made.

### **10. Non-compliance**

Non-compliance with this policy may result in disciplinary action including the withdrawal of approval for private use.

### **11. Review and Amendment**

- This policy shall be reviewed by September 2017 and thereafter at 4 yearly intervals, to ensure it meets all statutory requirements and the needs of Council.
- This policy may be amended or cancelled by Council at any time without prior notice or obligation to any employee, but in accordance with the Local Government (State) Award 2010.

### **12. Adoption**

- This policy has effect as from 17 August 2017, and replaces any previous policy.

### **13. History**

Version	Details
-	Adopted 18 October 2001
14.23.1	Adopted 21 June 2013
14.23.2	Adopted 17 August 2017