

Vehicle Use Policy

Fleet Management Policy

Category:	Facilities Management
Last Modified:	August 2010
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Approved By:	Director, Learning Resources
Contact Person:	Fleet Manager, Extn 3586

Introduction:

This document details University of Canterbury policy, procedures, conditions of use and responsibilities for users of University owned vehicles.

Definitions:

- **University Vehicle** is a motor vehicle (including motor bikes and power boats) registered in the name of the University of Canterbury, leased or rented in the name of the University of Canterbury.
- **User** is the University agent deemed to be the Driver in charge of a particular University Vehicle at any given time.
- **Fleet Manager** is the University employee responsible for the vehicle fleet.
- **Fleet Vehicle** is any vehicle owned or leased by the University.
- **Pool Vehicle** is any fleet vehicle available for use through Facilities Management.
- **Law** refers to those that apply within New Zealand.
- **Regulations** are those that apply within New Zealand.

Policy Statement:

The purpose of this policy is to ensure that:

1. Facilities Management will be responsible for management of the University of Canterbury Fleet to maximise utilisation and achieve procurement efficiencies.
2. The procurement of vehicles may only be initiated by Facilities Management.
3. All vehicles owned by the University of Canterbury will be treated as Fleet Vehicles and deemed to be Pool Vehicles in terms of the Policy definition.
4. All Fleet Vehicles will be available only for business use and charged to the user as per this policy.
5. All Fleet Vehicles (including those purchased with grants) will be transferred to Facilities Management as from and including 1st August 2008.
6. All University Vehicles are maintained in a safe and roadworthy condition in order to ensure the maximum safety of the driver, occupants and other road users at all times.
7. Authorised drivers of the University of Canterbury vehicles are appropriately licensed, demonstrate safe driving habits and as a user, are aware of their obligations.

Procurement of Vehicles

The procurement of vehicles may only be initiated by Facilities Management through the Fleet Manager.

Where a vehicle is required as part of a research grant or similar external funding, the requesting department shall estimate the vehicle requirements in terms of use (vehicle specifications) and projected kilometres. Facilities Management will advise a rate to establish the cost of the vehicle over the life of the proposed research activity and that cost will be identified and negotiated as part of the grant application process.

If a vehicle is not available within the existing Fleet, a new vehicle may be purchased through the normal Facilities Management purchase processes and then charged out on an actual cost basis to the grant account. When research or contract work is completed, the vehicle will transfer to the Pool or may either be sold or used to retire an older Fleet Vehicle.

Vehicle Running Costs

All Fleet Vehicle running costs including fuel, road user charges, insurance, servicing, maintenance and depreciation will be borne and managed by Facilities Management. The running costs will be recovered through the charge per km rate.

(It is accepted there will be 'unders' and 'overs' in the cost recovery process and where low kilometres occur for particular vehicles, consideration of the vehicle being relocated to the Pool should improve efficiency).

Fuel

- Each Fleet Vehicle will be allocated two fuel cards (a GSB Fleet Card and a Mobil Card).

- Fuel may only be purchased using these cards at service stations where the University has negotiated discounts: **Caltex, BP and Mobil**. Only in the event of an emergency, can other suppliers be used).
- Users may not use the allocated fuel card for fuelling any vehicle other than the vehicle to which it is assigned.
- If a vehicle is rented through the University's preferred supplier, a P-Card should be used for re-fuelling.
- Staff using their own personal vehicles can seek reimbursement via the mileage claim methodology (**Note: staff are not to refuel their own vehicles by using P-Cards**).

General Conditions

1. All Users must be employed by, or enrolled as a student of the University of Canterbury, or otherwise approved by the Fleet Manager.
2. All drivers of University vehicles must hold a current Drivers Licence of the appropriate class; this licence must be available for inspection. Only Drivers Licences that are valid in New Zealand will be approved.

If at any time the licence becomes invalid preventing the licensee from driving any University owned vehicle, it is the licensee's responsibility to advise the Fleet Manager.

3. All users of University vehicles must complete a *Conditions for Use* agreement before using a vehicle (see Appendix D).
4. No user shall consume any alcoholic liquor, non-prescription drugs, recreational drugs or intoxicating substances that exceed the legal limit or that are illegal while in charge of a University of Canterbury vehicle. The use of prescription drugs prescribed by a New Zealand approved registered medical practitioner is acceptable as long as they do not impair the ability to drive within the law. A user must not be driving a vehicle if suffering from fatigue or any condition which inhibits the ability to drive safely and within the law.
5. In the event of a user not adhering to the above condition, the UC Insurance Policy will exclude claims arising where a user is intoxicated, as defined by New Zealand Law and therefore the Policy will not respond.
6. Users of the Pool Vehicles must use the Web Vehicle Booking System to book a vehicle. The vehicles are stored in a central compound off Engineering Road. To cancel a Pool Vehicle, ring Facilities Management on Ext 6400. A minimum of one working days notice must be given when cancelling a booking. Failure to do so will result in a charge being made for vehicle(s) that have not been used.
7. The type of vehicle used should be suitable for the work and conditions you are likely to encounter. Where possible, smaller vehicles are to be used for urban and shorter trips.
8. No fare-paying passengers shall be permitted to ride in a University Vehicle. A pooling of the rental is not fare-paying.

9. When using a Pool Vehicle an Internal Requisition Form or an Oracle Code must be supplied before the vehicle key is issued.
10. Drivers must report any Pool Vehicle faults or accidents to Facilities Management as soon as possible. In the event of an accident, please also contact UC Insurance personnel within Financial Services. The [UC Insurance Website \(www.canterbury.ac.nz/finance/insurace\)](http://www.canterbury.ac.nz/finance/insurace) will provide useful information on procedures, copies of Vero Motor Vehicle Claim form and the Event Report form. The Vero Motor Vehicle Claim form and Event Report form need to be filled out and sent to Financial Services, Level 2, Registry.
11. Vehicles are provided for the purpose of travel on University business only. Private use is not permitted unless approved by the University of Canterbury Vice-Chancellor (College/School/Unit Manager).
12. The driver of the vehicle must ensure that the vehicle is parked legally at all times and that all doors and windows are locked when unattended. If the vehicle is out overnight it should not be parked on the road.
13. All rubbish must be removed from the vehicle when it is returned to the University.
14. Before using a University vehicle, consideration should be given to using a Courier service for the delivery and pick up of goods.
15. Registration, Servicing, Warrant of Fitness, Certificate of Fitness and Insurance requirements will be the responsibility of Facilities Management.
16. The fleet/fuel card must only be used for fuel and oil purchases directly associated with the vehicle.
17. Running sheets in Pool Vehicles are to be completed for each hire and at the end of the month kilometre readings will be charged against the authorised Oracle Code (See Appendix E).
18. Pool Hire Vehicles are charged either by kilometres used or a daily rate. The rate charged per kilometre will cover all expenses and costs to the vehicle including fuel and insurance.
19. The University of Canterbury Vehicle Fleet is subject to Fringe Benefit Tax and the University is, therefore, required to meet its legal obligations as defined by the Inland Revenue Departments Acts and Regulations.
20. Fringe Benefit Tax means no private use of University vehicles will be allowed, except in special circumstances, which must be approved by the Vice-Chancellor.
21. Users of University vehicles are required to be fully aware of their obligations and a Fringe Benefit Tax return must be completed when a vehicle's use attracts Fringe Benefit Tax. Completed forms must be forwarded to Facilities Management.
22. Smoking in vehicles is strictly prohibited.
23. Depreciation will be in accordance with University policy (see [Depreciation](#) on Finance Intranet site).

24. All University vehicles owned or leased are required to display the current logo which must be permanently and prominently displayed on the exterior of the vehicle. Magnetic or removable signs are not permitted, and neither is sign-writing on a removable part (e.g. spare wheel cover) of a vehicle. Trailers and boats should also be required to display the logo. Any additional signage required will be a direct charge to the College/School/Service Unit requiring it.
25. Any agreement to lease a vehicle must be in the name of the University of Canterbury and signed by a University staff member having the delegated authority to do so. Facilities Management must be advised of the details of any leased vehicle before taking delivery so that insurance can be arranged.
26. Any towbars fitted must be certified and tested to SAE J684, NZS 5467:1993.
27. Any modifications to a vehicle must comply with Land Transport Safety Regulations and must be certified by an authorised vehicle inspector.
28. In the event of an accident the driver (if able to do so) is required to:
 - a. Notify the Police if anyone is injured.
 - b. Obtain the name, vehicle registration, colour and make of any other vehicles involved.
 - c. Record details of what occurred including a plan of the accident site.
 - d. Arrange for the vehicle to be removed if required.
 - e. Report the accident to Facilities Management as soon as possible. In the event of an accident, please also contact UC Insurance personnel within Financial Services. The [UC Insurance Website](http://www.canterbury.ac.nz/finance/insurance) (www.canterbury.ac.nz/finance/insurance) will provide useful information on procedure, copies of Vero Motor Vehicle Claim form and Event Report form. The Vero Motor Vehicle Claim form and Event Report form need to be filled out and sent to Financial Services, Level 2, Registry.

Do Not Admit Liability

If the driver fails to stop, or fails to remain at the scene following the occurrence of an accident where required to do so by law, the University's insurance policy covering motor vehicles will not insure against loss, damage or liability arising.

29. Staff or students using their own vehicles for official University use are not covered by the University's insurance policy covering motor vehicles.
30. Where possible public transport should be used before using a University vehicle.
31. Users of University vehicles (owned, leased or rented) are responsible for any traffic or parking infringements associated with the vehicle while in their charge.
32. The wearing of seatbelts by all persons within a moving vehicle is the responsibility of the driver as is the non-compliance of this procedure.
33. The picking up of hitchhikers is not permitted.
34. No domestic animals are allowed inside the vehicle at any time. Where official University animals are required to be transported they must be placed in an appropriate container/cage for transporting.

35. Transporting of materials in a vehicle or trailer must be secured against movement. Vehicles and trailers must not be overloaded in terms of either weight or bulk.
36. In the transporting of hazardous substances, there are a number of legislations and standards that you must be aware of. As a minimum, you must comply with the Land Transport Act 1998 and associated Rule: Dangerous Goods 1999 and NZS 5433:1999 – Transporting of Hazardous Substances on Land. For further information refer to Land Transport New Zealand website www.landtransport.govt.nz.
37. Before towing any trailer or unit with a University of Canterbury vehicle (owned or leased) the driver must ensure that the vehicle is capable of towing the unit to be towed and the tow ball and coupling are compatible. Also the driver must have experience in towing prior to towing.
38. The use of cell phones while driving is illegal. Before making or answering a phone call, drivers must pull over to the side of the road (when it is safe to do so).
39. No driver may use a vehicle that they deem to be unsafe, or which has been withdrawn from use.
40. Only drivers of 4WD vehicles who have been trained and certified are permitted to drive the vehicle off-road.
41. If for any reason a registered driver can no longer meet the conditions of this Vehicle Use Policy or the Condition for Use of University of Canterbury Vehicles Agreement, they must notify the [Fleet Manager](#) in writing.
42. In the event that a Pool Vehicle is not available due to circumstances beyond the University's control, every effort will be made to find a replacement vehicle from the Hire Fleet. If a suitable replacement is not available we will offer our services to find a rental. However, all costs of the rental will be the responsibility of the hirer.
43. Use of Chains – it is the driver's responsibility to ensure that chains are fitted correctly so as not to cause damage to the vehicle. The cost of hiring chains remains with the hirer.
44. Users must not allow a third party to drive a University Vehicle unless prior approval has been obtained from the Fleet Manager (except in an emergency).

Related Policies, Procedures and Forms:

- Please visit the [Insurance website](#) for related claim forms and procedures.

Appendices:

- Appendix A: Fringe Benefit Tax Memorandum
- Appendix B: Fringe Benefit Tax Return Form
- Appendix C: Vehicle Charge Rates Form
- Appendix D: Conditions for Use
- Appendix E: Vehicle Running Sheet

Notes:

1. Further information is available in the vehicle folder which you will find in the glove box of University of Canterbury Fleet Vehicles.

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Version Control Table		
Action	Approval Body	Date Amended
Modification: <i>Policy Statement 1. Now reads the same as Appendix D, 2.1</i>	Not required	17 January 2008
Full Review	Director, FM	16 December 2008
Modification <i>Cell phone use, charge rate amendments.</i>	Director, FM	20 August 2010

Appendix A

MEMORANDUM TO:

Subject: Fringe Benefit Tax – Motor Vehicles

The purpose of this memorandum is to draw your attention to the Fringe Benefit Tax (FBT) obligations imposed by the Inland Revenue Department on users of both owned and leased University vehicles.

The University of Canterbury vehicle fleet is subject to Fringe Benefit Tax and the University is, therefore, required to meet its legal obligation as defined by the Inland Revenue Department's Acts and Regulations.

On the University Intranet under the [Financial Services](#) section on taxes, there is a policy statement which outlines the conditions of Fringe Benefit Tax as it relates to motor vehicles.

As your College/Department/School are users of University vehicle(s) there is a requirement that users are made fully aware of their obligations and that when required, a Fringe Benefit Tax return is submitted.

If Fringe Benefit Tax is payable on any vehicles, this will be calculated by Financial Services and charged accordingly.

A. General Information:

- As a general rule, as long as you have a vehicle available for an employee to use privately, Fringe Benefit Tax is payable whether or not the vehicle is actually used.
- Vehicles with a gross laden weight of more than 3,500 kilograms are not subject to Fringe Benefit Tax.

B. Exempt Vehicles:

There are some general exemptions for work-related vehicles where employees store vehicles at home and the University does not allow the vehicle to be available for general private use, BUT there are four conditions to be met and they must **all** be met.

1. The principal design of the vehicle cannot be for carrying passengers. This means that no sedan can qualify for this exemption.

Vehicles that can qualify for an exemption include:

- Utes (including extra cabs and double cabs).
- Light pick-up trucks.
- Vehicles with rear doors that are permanently without rear seats such as vans, station-wagons, hatchbacks, panel vans and four-wheel drives. This also applies if the rear seats have been welded down or made unusable because of a permanent fixture.
- Minibuses, that is, vans with three or more rows of permanent non collapsible seats capable of carrying at least two adults each.

2. Vehicles must display the University name or logo, which must be permanently and prominently displayed on the exterior of the vehicle. Magnetic or removal signs are not sufficient, and neither is sign writing on a removable part (e.g. spare wheel cover) of a vehicle.
3. The University must provide the employee with a letter explaining that the vehicle is available **only** for travel between home and work and then only if:
 - there is a need for work to be performed partly at home (and that this ‘need’ is not simply a matter of choice), **and**
 - the travel is in the course of performing work (‘on work’).
4. The University must conduct and record ‘checks’ at least quarterly on each vehicle for which this exemption is claimed to ensure that the restrictions are being followed.

C. Vehicles Subject to Fringe Benefit Tax, but where a Daily Exemption may Apply

Assuming all four conditions above are met, there are two exemptions for Fringe Benefit Tax available for motor vehicles otherwise available for private use.

i. Emergency Calls

The whole of any day on which the vehicle is used to attend an emergency call is exempt. (Conditions Apply).

ii. Out-of-Town Travel

Where an employee is required to travel frequently out of town on official University business, the day of departure and the day of return from a trip longer than twenty-four hours are both exempt.

If any of the daily exemptions are being claimed, the University is required to keep a record of the number of exempt days.

Using a three-month test period means that rather than recording every daily exemption a vehicle qualifies for over its whole life, you can simply keep full records for just three months. You can then use the results of the test to calculate the Fringe Benefit Tax for that vehicle for a three-year application period, after which you will have to run another test period. There is a table that sets out when you must run the test period, and when the three-year application starts.

D. Home to Work Travel

The fact that work is performed at the home, whether or not under a contractual obligation, is not sufficient to ensure that there is no Fringe Benefit Tax liability. Travel between home and work would be private travel if the work is performed at the home because of the personal circumstances or personal preference of the taxpayer. Also, the fact that a vehicle is taken to an employee’s home for security reasons does not in itself mean that travel between the home and work is work related travel.

In some cases, where a journey that has been undertaken solely for business purposes or work related purposes includes a private component, the private travel can be disregarded and the entire journey classified as business travel. This will be the case if:

- the private benefit received is incidental to a journey that has been undertaken solely for work-related purposes; or

- the private travel is de minimis (e.g. a deviation for a private reason in the course of a journey undertaken for business purposes).

All University vehicles are required to keep a logbook.

The obligation to furnish Fringe Benefit Tax details to the University is the responsibility of the vehicle users. Therefore, returns should be completed and forwarded to David Bellamy in Facilities Management no later than five working days after the end of March, June, September and December each year.

Calculations of the Fringe Benefit Tax and the payment to the Inland Revenue Department will be calculated by the Financial Services unit based on the information provided by Facilities Management.

The Inland Revenue Department will periodically conduct an audit of the University's Fringe Benefit Tax returns and procedures.

Appendix B

VEHICLES SUBJECT TO FRINGE BENEFIT TAX (FBT)

Drivers please complete this form when you use a University of Canterbury vehicle which is **subject to Fringe Benefit Tax** (e.g. if the car is taken home overnight for an early start the next day, the car is deemed available for private use and subject to Fringe Benefit Tax).

Employee Name:
(Please Print)

College/School/Department:

Account Number:

Vehicle Registration:

Make and Model:

Date picked up:

Date returned:

Start/Finish Kilometres:

Recipients Contribution:

(e.g. Petrol Expenses)

Please attach any receipts/documents to verify the amounts

Signature:

Return the completed form to: Facilities Management

Appendix C

UNIVERSITY OF CANTERBURY

Vehicle Charge Rates

CC Rating	*Per Km Excl GST	Daily rate if vehicle has been booked for the day and the km used are 50 or less
Up to 1499	45c	\$20
1500 - 2000	55c	\$25
2001 →	75c	\$30

***There is a minimum charge of \$10.00 for vehicles that travel 15km or less.**

The above rates are based on full life costs associated with the vehicle. This includes fuel, insurance, registration, depreciation, interest, servicing and excess on insurance.

It Does Not Include Fringe Benefit Tax which is the responsibility of the vehicle user.

Appendix D

CONDITIONS FOR USE OF UC VEHICLES

1. Definitions

- 1.1 **University Vehicle** - motor vehicle registered in the name of the University of Canterbury, leased or rented in the name of the University of Canterbury.
- 1.2 **User** - University agent deemed to be the Driver in charge of a particular University Vehicle at any given time.
- 1.3 **Fleet Manager** - University employee responsible for the vehicle fleet.

2. Conditions of Use

- 2.1 All Users must be employed by, or enrolled as a student of the University of Canterbury, or otherwise approved by the Fleet Manager.
- 2.2 All Users must have a full current Driver's Licence of the appropriate class for the vehicle being hired and this licence must be available for inspection. Only Driver's Licences that are valid in New Zealand will be approved.
- 2.3 A User must not have any medical condition that exempts the User from driving a motor vehicle.
- 2.4 All Users must notify the Fleet Manager of any traffic related convictions which would prevent them from driving a University of Canterbury vehicle.
- 2.5 University of Canterbury Vehicles must only be used for University of Canterbury business.
- 2.6 University Vehicles must be returned to their correct housing space after use. If, for any reason, this is not possible, the Fleet Manager must be given advanced written notification where practical.
- 2.7 No User shall be in excess of the legal drug or alcohol limit while in charge of a University of Canterbury Vehicle, or drive the vehicle if suffering from fatigue or any medical condition which inhibits the ability to drive safely.
- 2.8 Users are responsible for any traffic or parking infringements associated with a University of Canterbury Vehicle while in their charge.
- 2.9 Users must return University Vehicles in the same condition as when the vehicles were issued.
- 2.10 Users must report any vehicle faults to the Fleet Manager.
- 2.11 Users must ensure that a vehicle is not overloaded at any time.
- 2.12 Users must ensure that no domestic animals are allowed inside the vehicle at any time. University animals must be placed in the appropriate container/cage for transport.

- 2.13 Users must not allow a third party to drive a University Vehicle unless prior approval has been obtained from the Fleet Manager (except in an emergency).
- 2.14 Smoking in Vehicles is strictly prohibited.
- 2.15 No fare-paying passengers shall be permitted to ride in a University Vehicle. A pooling of the rental is not fare-paying.
- 2.16 The picking up of hitchhikers is not permitted.
- 2.17 When towing, it is the driver's responsibility to ensure that the tow ball and coupling are compatible.
- 2.18 Use of Chains – It is the driver's responsibility for ensuring that the chains are fitted correctly so as to not cause damage to the vehicle. The cost of hiring chains remains with the hirer.
- 2.19 Fringe Benefit Tax – The University of Canterbury Vehicles are subject to Fringe Benefit Tax. If at any stage the vehicle has been used for private use, you must complete a Fringe Benefit Tax return.
- 2.20 In the event of an accident, the Driver (if able to do so) is required to:
- Notify the Police if anyone is injured.
 - Obtain the name, vehicle registration, colour and make of any other vehicle involved regardless of fault.
 - Record details of what occurred including a plan of the accident site.
 - Report the accident to Facilities Management as soon as possible. Please also advise UC Insurance personnel within Financial Services. Please visit the [UC Insurance website \(www.canterbury.ac.nz/finance/insurance\)](http://www.canterbury.ac.nz/finance/insurance) for all information relating to insurance queries and claims.
 - Arrange for the vehicle to be removed if required.

Do Not Admit Liability

If the driver fails to stop or fails to remain at the scene following the occurrence of an accident where required to do so by law, the University's insurance policy covering motor vehicles will not insure against loss, damage or liability arising.

Further information is available in the vehicle folder.

- 2.21 To cancel a Pool Vehicle ring Facilities Management on Ext 6400. A minimum of one working days notice must be given when cancelling a booking. Failure to do so will result in a charge being made for the vehicle(s) that have not been used.
- 2.22 Transporting of materials in a vehicle or trailer must be secured against movement.
- 2.23 The type of vehicle used should be suitable for the work and conditions you are likely to encounter.

- 2.24 There is a host of legislation and standards that you must be aware of when transporting hazardous substances. As a minimum, you will need to ensure that you comply with the Land Transport Act 1998 and associated Rule: Dangerous Goods 1999 and NZ Standard 5433:1999 Transport of Dangerous Goods on Land. This Rule and the NZ Standard must be consulted prior to the transportation of any dangerous goods or hazardous substance.
- 2.25 Before towing any trailer etc with a University of Canterbury vehicle (owned or leased) the driver must ensure that the vehicle is capable of towing the unit to be towed. Also the driver must have experience in towing prior to towing.
- 2.26 The use of cell phones while driving is illegal. Before making or answering a phone call, drivers must pull over to the side of the road (when it is safe to do so).
- 2.27 Drivers of 4WD vehicles using a University vehicle off-road must have been trained and certified.
- 2.28 The user must be authorised to use a University Vehicle and will meet the charges associated with this hire.
- 2.29 The driver of the vehicle must ensure that the vehicle is parked legally at all times and that all doors and windows are locked when unattended. If the vehicle is out overnight it should not be parked on the road.
- 2.30 If for any reason a registered driver can no longer meet the conditions of this Vehicle Use Policy or the Conditions for Use of University of Canterbury Vehicles Agreement, they must notify the Fleet Manager, in writing.
- 2.31 The fleet/fuel card must only be used for fuel and oil purchases directly associated with the vehicle.

I have read and agree to abide with the above Conditions of Use of University of Canterbury Vehicles. I also agree to notify the Fleet Manager if for any reason I no longer meet the requirements of the Vehicle User Policy or Conditions of Use.

Name: (Please Print) _____

Signature: _____

Date: _____

Drivers Licence Number (4a) _____

Drivers Licence Expiry Date (4b) _____

