



**MINISTRY OF SOCIAL  
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA

08 JUL 2015

Mr Cody Cooper  
[fyi-request-2831-fa982a0b@requests.fyi.org.nz](mailto:fyi-request-2831-fa982a0b@requests.fyi.org.nz)

Dear Mr Cooper

On 10 June 2015, you emailed the Ministry requesting, under the Official Information Act 1982, information about the Ministry's policy concerning company vehicles and accidents.

We acknowledge that your scooter was involved in an accident which involved a Ministry vehicle. We are sorry that your girlfriend suffered bruising as a result of the accident, and apologise for any inconvenience the damage to the scooter has caused you.

As you have asked a number of questions I will address each question in turn.

- *Provide all information concerning the Ministry motor vehicle policy including insurance and claims.*

The Ministry's insurance policy covers all vehicles (not just Work and Income) that are owned, leased or rented by the Ministry of Social Development. Any authorised driver using Ministry vehicles for business purposes is covered by the insurance policy.

Any staff member who drives a Ministry vehicle in an unauthorised manner, or who allows an unauthorised person to drive or travel in a Ministry vehicle, will be personally responsible for all costs in the event of any damage or loss that occurs.

When an accident occurs, an insurance claim should be made on the day of the accident. The insurance claim is assessed at the Ministry's National Accountancy Centre as to whether or not it is in the best interest of the Ministry to lodge an insurance claim. Each and every claim with the Ministry's insurer is subject to an excess of up to \$2,000 charged to the relevant cost centre, irrespective of who causes the accident or damage.

Please find enclosed a copy of the Ministry's motor vehicle policy and the Ministry's Driving Guide.

- *What is the Ministry's purchasing policy for motor vehicles.*

The Ministry owns all the vehicles in its fleet and has a replacement policy where vehicles are replaced every four years or at 80,000 kilometres. In the fiscal year 2014/15, the capital vehicle purchases totalled \$5,130,000 (exclusive of GST) and purchases ranged from \$16,600 to \$27,114 per vehicle.

- *How many insurance claims have been made for vehicle accidents that Ministry staff have been involved in, broken down by at-fault and not-at-fault?*

From the period 1 July 2014 to 15 June 2015, the Ministry lodged 184 insurance claims that involved a vehicle incident where the driver was in the car. Eighty-eight of these incidents were deemed to have a Ministry driver at fault and 96 were deemed not to be the fault of the Ministry staff member.

**Table one: The number of insurance claims lodged from 1 July 2014 and 15 June 2015 broken down by vehicle type.**

Vehicle Type	Number of insurance claims
Daihatsu Terios	1
Ford Focus – (Rental)	1
Hyundai Accent	9
Hyundai Getz	4
Hyundai H1 Imax Vans	7
Hyundai I20	15
Hyundai I30	36
Hyundai I45	1
Mitsubishi Outlander	1
Toyota Corolla ( 4 Rentals)	46
Toyota Hiace Minibus	2
Toyota Rav4 – (Rentals)	2
Toyota Yaris	59

If you have any concerns with your current insurance claim that involves the Ministry, please contact our insurance provider Gareth Ayling on 04 903 4217.

I hope you find this information helpful. You have the right to seek an investigation and review of my response by the Ombudsman, whose address for contact purposes is:

The Ombudsman  
Office of the Ombudsman  
PO Box 10-152  
WELLINGTON 6143

Yours sincerely



**Merv Dacre**  
**Associate Deputy Chief Executive**  
**Organisational Solutions**

# MSD Driving Guide

## Aims of the Driving Guide

The aims of this guide are to provide information and guidance for MSD staff to enable MSD to:

- Contribute to the Government's sustainability programme by encouraging staff to plan their travel requirements to best determine resource needs in advance.
- Contribute to the Government's sustainability programme by encouraging better driving practices in Ministry vehicles resulting in reduced fuel and emissions.
- Reduce at-fault crash costs by promoting a safe driving culture within the organisation.

## Code of Conduct

MSD's code of conduct states that staff must "contribute to maintaining a healthy and safe workplace for ourselves and others and take all practicable steps to prevent personal injury and illness."

The code of conduct also states that staff must comply with traffic legislation at all times.

The following are seen as being serious breaches of conduct:

- drinking or under the influence of drugs while driving
- driving while disqualified, or not correctly licensed
- reckless or dangerous driving (particularly causing death or injury)
- failing to stop after a crash
- demerit points suspension
- any actions that warrant suspension of a license

# Requirements of the Health and Safety in Employment Act 1992

Under the Health and Safety in Employment Act 1992 and the Health and Safety in Employment Amendment Act 2002, employers are responsible for the safety of their employees at work, which includes vehicles.

This includes staff who are driving as part of their work — whether they are a driver, or a passenger, whether they drive regularly or occasionally, and whether the vehicle is owned, leased or rented by the Ministry. The place of work takes into account the road or area through which they travel.

An employee travelling to and from work is not considered to be at work, unless using an employer's vehicle while on official business. However, where an employee is required to be on call and that is recognised in an employment agreement, then they are considered to be at work during the time they are travelling to and from home.

## The Employer Has Six Key Duties Under The Act:

1. Ensure safety of employee
2. Ensure systematic methods are established to manage hazards
3. Ensure Health and Safety information is provided to employees
4. Ensure employees are trained and/or supervised
5. Ensure systems are in place to provide employees with reasonable opportunities to be involved in Health and Safety management
6. Report incidents

Under the Act, employers and employees alike are responsible for taking all practicable steps to ensure Health and Safety in the workplace. The employer must take all practicable steps to ensure that the vehicle the employee is using is safe.

This includes:

- the vehicle being used is suitable for the purpose
- there is a system in place to monitor the fact that the vehicle is roadworthy, warranted and registered
- the employee has a current driver licence
- total work and driving time minimises the possibility of fatigue
- when working in remote locations, there is a system for an employee to remain in contact with the employer/colleagues.

## Determining All Practicable Steps:

The likelihood and severity of potential injury/illness must be balanced against the cost and feasibility of the control measures.

The cost of providing controls has to be measured against the consequences of failing to do so.

# Responsibilities as an Employee

Drivers of Ministry vehicles must:

- ensure they have read and understood the Ministry's Motor Vehicle Policy
- ensure they hold a current driver licence for the class of vehicle they are driving
- immediately notify their supervisors or managers if their driver licence has been suspended or cancelled, or has had limitations placed upon it
- be responsible and accountable for their actions when operating Ministry vehicles including ensuring they are in a fit state to drive and not impaired by drugs or alcohol
- display the highest level of professional conduct when driving Ministry vehicles
- assess hazards while driving and anticipate 'what if' scenarios
- drive within the legal speed limits, including driving for the conditions
- wear a safety belt at all times
- report vehicle defects to a supervisor or manager before the next vehicle use
- comply with traffic legislation when driving a Ministry vehicle including ensuring the vehicle is displaying a current warrant of fitness and registration
- regularly check the oil, radiator and battery levels, and tyre pressure of Ministry vehicles they use
- if the vehicle is taken home it must be off the road and preferably under cover.
- report any near hits, crashes and scrapes to their manager, including those which do not result in injury
- follow the accident procedures outlined in MSD Financial Policy and Procedures.
- ensure any parking or traffic infringement notices and fines are paid at personal cost by the due date

In addition it is strongly recommended that all drivers:

- take regular and adequate rest breaks, at least every two hours
- stop when tired
- plan the journey, taking into consideration pre-journey work duties, the length of the trip and post-journey commitments
- stay overnight if driving time and non-driving duties exceed 10 hours in one day
- use daytime running lights on the open road.

## Responsibilities as an Employer

The employer will not require staff to drive under conditions which are unsafe and/or likely to create an unsafe environment, physical distress, fatigue, etc. The employer will do this by undertaking the following tasks:

<b>Give priority to safety features when selecting new vehicles, including:</b>	<b>Name of manager responsible</b>
only buying and/or hiring vehicles that rate four or more stars on the <u>ANCAP tests</u>	National Accounting Centre
only buying and/or hiring vehicles that are light coloured	
choosing vehicles with ESP, ABS brakes and side head-protecting air bags where this is readily available	
<b>Ensure all vehicles are well maintained and that the equipment promotes driver, operator and passenger safety by</b>	Budget Manager
servicing the vehicle according to manufacturers' recommendations	
setting up procedures where the employees check the vehicle's oil, water, tyre pressure and general cleanliness on a monthly basis, and this is recorded	
keeping a maintenance schedule in the glove box of all vehicles that is completed each time the vehicle is serviced in any way	
following the maintenance schedule in the vehicle's manual	
setting up a procedure to identify and rectify faults as soon as practicable	
<b>Ensuring vehicles are legal:</b>	Budget Manager
ensuring Warrant of Fitness and registration certificates are up to date and displayed in the vehicle	
ensuring vehicle has an up to date Road User Charges certificate	
<b>Monitor and manage work schedules to ensure they do not encourage unsafe driving practices by:</b>	Budget Manager
requiring staff to have ten hours minimum continuous rest and 11 hours maximum driving every 24 hours	
requiring drivers to take 10-minute breaks every two hours of driving	

<b>Take into account individual drivers' needs:</b>	
requiring staff to keep a driving log that is regularly checked by a supervisor or manager	Budget Manager
<b>Ensure all Drivers are authorised:</b>	
driver authorisation form is filed on staff's personnel files	Budget Manager
annual check of all drivers' licences	
<b>Identify driver training needs and arrange appropriate training or retraining, including:</b>	
a thorough induction to the Ministry's road safety policies and procedures	Budget Manager
driver training opportunities to all staff	
driver assessment and required training as part of all staff inductions	
advanced driver training or specific practical training as required and identified	
regular staff seminars or refresher meetings on safety features, fatigue, driver responsibility, drink-driving and fuel-efficient driving	
<b>Encourage safe driving behaviour by:</b>	
not paying staff speeding or other infringement fines	Budget Manager
reminders that the use of cellphones in vehicles is illegal	
ensuring food and non-alcoholic drinks are available at work related functions	
encouraging the use of taxis and buses whenever necessary	
ensuring the employer and the National Accounting Centre is informed if existing staff become unlicensed.	Staff Member/Manager
<b>Collect and collate statistics on incidents, accidents and their causes, including:</b>	
the number of crashes	National Accounting Centre
who was thought to be at fault	
probable causes of the crash, and other contributors	
financial cost of all crashes	
number of prosecutions (where advised)	
	Note: NAC are reliant on notification of these events by budget managers and/or drivers

## Ministry Vehicles

Each office is responsible for keeping all vehicles clean and tidy, both on the outside and on the inside. Each driver should remove rubbish every time they vacate the car. Cars should be washed on a regular basis.

Smoking is prohibited in all Ministry vehicles.

Ministry vehicles are to be locked and secured whenever they are left unattended at any time. All valuable items inside the vehicle should be hidden from view if practicable.

Please note that if a driver is involved in more than two "at fault" accidents in a Ministry vehicle in a two year period or the driver contravenes any of the established rules in relation to use of a Ministry vehicle, the use of the motor vehicle may be withdrawn or disciplinary action initiated.

The Ministry, at its discretion may require a driver to attend a defensive driving course, in their own time, should they be involved in two or more motor vehicle accidents whilst driving a Ministry motor vehicle. The Ministry will meet all costs involved in attendance of a defensive driving course.

### **NAC Fleet Management Team Responsibilities:**

All motor vehicle administration and documentation including:

- registrations and checking of accounts received for payment
- fines administration
- acquisition
- disposal
- advice
- fuel card administration
- management motor vehicle insurance fund
- liaison with Insurance Company re accidents
- quarterly FBT returns



## Cellphone Use

In New Zealand drivers cannot use hand-held mobile phones and other telecommunications devices, such as Blackberry devices and Personal Digital Assistants (PDAs), while driving (including using these devices to text or email).

Exemptions to this are:

- *Emergency calls* – to allow genuine emergency calls to be made where it is impracticable to pull over to make a call
- *Hands Free Systems* – drivers may use a mobile phone to make, receive or end a phone call only if they do not have to hold or manipulate the phone in doing so or provided the mobile phone is securely mounted to the vehicle, if the driver manipulates the phone infrequently and briefly. However, drivers must not create, send or read a text message or use a mobile phone in any other way.

Please remember, the mental distraction of a hands-free conversation is still a hazard. If you need to use a hands-free kit reduce this by keeping calls short, keeping the conversation simple and using hands-free only when driving conditions are suitable.

The safest option is to turn your mobile off, let calls go to voice messaging and pick up your TXTs and voicemails only when you've stopped driving. If it's important, pull over to the side of the road when it is safe, before making or answering a call.

## What to Do If There Is an Accident in a Ministry Vehicle

Any incident involving a Ministry vehicle must be reported to the Budget Manager and the Fleet Officer at the National Accounting Centre immediately. Incidents include, but are not limited to accidents, damage, theft and vandalism.

In the event of an accident or damage involving another vehicle, the employee must not accept any liability for the accident or for repairs to the other vehicle(s).

- Immediately stop your vehicle at the scene or as close to it as possible, making sure you are not obstructing traffic.
- Ensure your own safety first.
- Help any injured people and call for assistance if needed.

Try to get the following information:

- Details of the other vehicle(s) and registration number(s).
- Name and address of the other vehicle owner(s) and driver(s).
- Name and address of any witness(es).
- Name of insurer(s).

### Contact the police:

- if there are injuries and/or death
- if there is a disagreement over the cause of the crash
- if you damage property other than your own
- (at the police station nearest the crash) as soon as possible if damage to a vehicle has occurred

People often think of themselves as a 'good driver' however they are referring to their operational skills, performance and handling capabilities.

A 'good driver' does not necessarily translate into a 'safe driver'.

## Fatigue

People often think that driver fatigue means falling asleep at the wheel. Falling asleep, however, is an extreme form of fatigue.

Fatigue is tiredness, weariness or exhaustion. You can be fatigued enough for it to impair your driving long before you 'nod off' at the wheel. For example, when you are fatigued:

- your reactions are much slower
- your ability to concentrate is reduced
- it takes longer to interpret and understand the traffic situation.

### Why Fatigue is a Problem?

The most common effects of fatigue on driving are:

- difficulty keeping your car within a lane
- drifting off the road
- more frequent and unnecessary changes in speed
- not reacting in time to avoid a dangerous situation.

These effects lead to a high number of single vehicle crashes involving a car striking a tree or other rigid object, and severe head-on collisions.

In New Zealand between 2002 and 2004, driver fatigue was identified as a contributing factor in 134 fatal crashes and 1,703 injury crashes (approximately 11 percent of fatal crashes and six percent of injury crashes each year).

Fatigue needs to be taken very seriously.

## **Causes of Fatigue:**

### *Sleep Loss*

Loss of sleep is one of the main, and most commonly known, causes of fatigue. Everyone has a basic sleep need. This can vary from person to person, but the average is seven to eight hours a day.. As little as two hours sleep loss on one occasion can affect reaction time, mental functioning, memory, mood and alertness.

Several nights of restricted sleep leads to a sleep debt. If you allow a sleep debt to get too large, the brain will eventually go to sleep involuntarily (micro-sleep), even if this puts you at risk. Micro-sleeps generally only last a brief period, but can be very dangerous if they happen while you're driving. For example, if a driver has a micro-sleep for just one second while travelling at a speed of 100 km/h, the car will have gone 28 meters without a driver in control.

### *Circadian Rhythms*

We have an in-built body clock in the brain, coordinating daily cycles known as circadian rhythms. The clock programmes us to feel very sleepy between 3 am and 5 am, and to experience a secondary peak in sleepiness between 3 pm and 5 pm. At these times, you'll experience your worst physical and mental performance of the day. There's an increase in fatigue-related crashes at these times.

### *Time Spent On a Driving Task*

Studies that have looked at driving 'tasks' show that the length of time spent on a task affects the quality of performance. As more time is spent on a task the level of fatigue increases, the time to react is slowed, attention and judgment are reduced, and the chances of falling asleep during the task are increased.

## **How You Can Improve Your Alertness:**

### *Sleep and Circadian Rhythms*

Get plenty of sleep before a long journey. Plan to drive during times of the day when you're normally awake, and stay overnight rather than travelling straight through.

Avoid driving during times when we're programmed to be sleepy. Take a mid-afternoon break and find a place to sleep between midnight and 6 am.

### *Take Breaks and Have a Nap*

Schedule a break at least once every two hours, and whenever you begin to feel sleepy. During a break get out of your vehicle and have a walk, or some form of exercise, to increase alertness. If you're feeling sleepy, have a nap.

If you realize you need a nap, don't wait. Find the first safe place and pull over. Try to avoid napping in the driver's seat, and try not to nap for longer than 40 minutes. Naps up to 40 minutes can be very refreshing, but naps longer than 40 minutes can leave you feeling groggy and disoriented for up to 10 to 15 minutes after you wake up. (This is called sleep inertia.)

## *Food and Drink*

Eat sensibly throughout the journey, but avoid large meals. They can make you drowsy, particularly at lunchtime. Stay hydrated. Caffeine drinks (tea, coffee and cola drinks) help you stay alert, but they take time to be effective. Research has shown that drinking a caffeinated drink, followed by a 20 minute nap, improves alertness in the short term.

## *Get Fresh Air into the Vehicle*

You'll find it easier to stay alert if you have fresh air blowing into your vehicle. On long journeys it's best if you don't use the recirculating air function.

## *Share the Driving*

If possible, share the driving.

## *Environmental Stimulation*

Conversation and music can help you stay alert, but they're only short-term solutions. The best solution is finding somewhere to stop and sleep.

## *Avoid Medications That Make You Drowsy*

Avoid taking medications, both prescribed and over-the-counter, that lead to drowsiness. Examples of medications to avoid are some antihistamines, travel sickness tablets, sleeping pills, some cold preparations and some pain killers. Always read the packaging of your medications before you drive, to make sure they won't affect your alertness. If you're unsure, ask your pharmacist.

## **Driving Safely**

Traffic conditions to watch out for include:

- high volumes of traffic on the road
- pedestrians and joggers
- parked cars by the road

Road conditions to watch out for include:

- bumpy or narrow areas on the road
- wet or icy road surfaces
- signs warning of hazards such as sharp curves or a slippery surface
- road works

## ***Judge the Safe Speed for the Conditions***

When you're driving, you need to be constantly judging the safe speed for the stretch of road you're on at that particular time. This is called driving to the conditions. If you don't adjust your speed to suit the conditions, you may be driving too fast, even if you're within the speed limit.

## **Keep Inside the Speed Limit**

Drivers who travel above the speed limit endanger the lives of others. We've all heard the saying 'Speed kills'. Higher speeds result in injuries that are more severe.

### ***How Does Speed Affect Road Safety?***

The faster you drive on the road, the more likely you are to crash. As your speed increases:

- the distance you need in order to stop increases
- there is a greater probability that you will be going too fast if you meet an unexpected change in road conditions
- there is a greater chance that other road users will misjudge how fast you are travelling.
- The severity of injuries resulting from a crash is directly related to the impact speed of the vehicle - whether or not speeding was a factor in the crash.

### ***What Happens When A Speeding Vehicle Crashes?***

When a vehicle crashes, it undergoes a rapid change of speed. However, the occupants keep moving at the vehicle's previous speed until they are stopped - either by hitting an object or by being restrained by a safety belt or airbag.

Human bodies are not designed to be hurled against objects at speed, and the faster the speed, the more severe the injuries.

### ***Risks to Pedestrians***

If a pedestrian is hit by a vehicle, the severity of their injuries is related to the impact speed. The probability of death for a pedestrian rises steeply from:

**10 percent at an impact speed of 30 km/h**

**to**

**70 percent at 50 km/h.**

The risks for vulnerable pedestrians, such as the elderly and young children, are higher.

### ***Penalties***

#### **Fines**

The maximum fine for exceeding a speed limit is \$1000, which applies to serious speeding offences that are dealt with in court. Most speeding offences are subject to infringement fees (instant fines), which range from \$30 for driving up to 10 km/h over the limit to \$630 for driving between 46 and 50 km/h over the limit.

## Driver Licence Suspension

An immediate 28-day licence suspension applies if you're caught travelling more than 40 km/h over the permanent posted speed limit, or more than 50 km/h over a posted temporary, holiday or variable speed limit.

An example of a temporary speed limit is a speed restriction through road works.

An example of a holiday speed limit is a lowered speed limit through a popular holiday destination (eg, a beach resort) during a busy holiday period.

An example of a variable speed limit is a lowered speed limit in a school zone at times when children are arriving at or leaving school.

## Demerit Points

Demerit points are given for all speeding infringements other than speed camera offences. If you get a total of 100 or more within two years, you'll be suspended from driving for three months.

Speed	Demerit points
Exceeding the speed limit by up to 10 km/h	10
Exceeding the speed limit by 11-20 km/h	20
Exceeding the speed limit by 21-30 km/h	35
Exceeding the speed limit by 31-35 km/h	40
Exceeding the speed limit by 36 km/h or more	50

## Speeding

Speeding fines increase progressively from \$30 for speeds less than 10 km/h over the limit, to a maximum fine of \$630 for speeds up to 50 km/h over the limit.

If your speed is more than 50 km/h over the limit you could be charged with careless, dangerous or reckless driving, and at more than 40 km/h above the speed limit you could also get a 28-day licence suspension.

## Driver Licence Disqualification Or Suspension

If you've been disqualified or suspended from driving by the courts, you're not entitled to hold your driver licence and must surrender it to the court, the Police or Land Transport NZ.

If you're caught driving while disqualified, the vehicle you're driving will be seized and impounded for 28 days. It doesn't matter whether it's your car or not. Driving while disqualified or contrary to the conditions of a limited licence carries a maximum fine for a third or subsequent offence of \$6,000, and the period of imprisonment is up to two years.

## ***Suspension of Your Licence at the Roadside***

If you're caught committing a serious driving offence that puts the lives of other road users at risk, the Police can suspend your licence, on the spot, for 28 days.

This is called roadside licence suspension, but it can happen anywhere:

- At the side of the road if you're pulled over for speeding at more than 40 km/h above the permanent speed limit (does not apply to speed camera offences).
- Wherever you are if a breath test you have provided shows you have more than 650 micrograms of alcohol per litre of breath, or a blood sample shows you had more than 130 milligrams of alcohol per 100 millilitres of blood when you were tested. If you have been convicted of specified breath or blood alcohol offences in the past four years, being anywhere over the limit is enough for your licence to be suspended.
- Wherever you are if you have failed or refused to take a blood test for excess blood alcohol, or refused to supply a blood sample.

If you are driving a Ministry Vehicle and your licence is suspended notify both your Budget Manager and the Fleet Officer at National Accounting Centre as soon as possible

## ***Impoundment of Your Vehicle at the Roadside***

Your vehicle will be impounded if you're caught driving when:

- you've been disqualified from holding or obtaining a driver licence
- your driver licence has been suspended or revoked
- you don't hold (or have never held) a licence, or your licence has expired, and you have been forbidden to drive by a Police officer until you have obtained or renewed your driver licence
- you've been caught driving in an unauthorised race or other 'boy racer' activities.
- If a vehicle you're driving is impounded, the Police will call for a tow truck to take it to a storage facility. At the end of the 28-day impoundment period, you'll have to pay the towing and storage fees before you can get the vehicle back.

If you are driving a Ministry Vehicle and your licence is suspended notify both your Budget Manager and the Fleet Officer at National Accounting Centre as soon as possible

## ***General Driving Offences***

Maximum fines for general driving offences range from \$2,000 for driving an unsafe vehicle, to up to \$20,000 for reckless or dangerous driving causing injury or death to another person, or for failing to stop after a crash where someone is killed.

Note: NAC will advise the immediate manager of any major infringements they become aware of. HR will also be advised as they will determine if any further action is required.

# Vehicle Safety

## *Before driving off*

- Mirrors—All mirrors should be adjusted to the individual drivers viewpoint *prior* to moving off in the vehicle.
- Drivers Seat—Drivers should ensure that their seat is adjusted to suit their comfortable driving position *prior* to moving off in the vehicle
- Seat Belts—Drivers should ensure that they and *all* passengers are wearing seat belts in the correctly proscribed manner *before* moving off in the vehicle.
- Instruments—familiarise yourself with the instruments and controls (wipers, indicators and horn) *prior* to moving off in the vehicle.
- Ensure that there are **no** packages or heavy items lying loose on the inside of the vehicle—if so please place them in the boot or luggage compartment

## *Checking the vehicle*

- Check to see that the vehicle has current Registration, Warrant/Certificate of Fitness and sufficient Road User Charges – if diesel vehicle.
- Drivers are required to check the vehicle on the *outside* before using the vehicle and are required to **REPORT ANY DAMAGE OR FAULTS** on the vehicle and ensure that the vehicle is **SAFE FOR USE** prior to driving off
- Check all doors are closed properly
- Check boot/hatch are closed properly
- Check that there is no item of the vehicle which is loose or could fall off the vehicle whilst driving on the road, i.e. trim or door mirror
- Check that the load will not obstruct your rear-wards view, hatch and wagon style vehicles only
- Visually check all lights and indicators for cracked or broken lenses.
- Visually check that tyres are inflated to the correct air pressure, check spare tyre is in vehicle and inflated to the correct pressure
- If embarking on a long journey (two hours or more) check the oil and water levels of the engine
- Ensure windscreens and mirrors are clean

## *Safe parking tips for drivers*

When parking the vehicle drivers should, wherever possible:

- Park in well-lit areas.
- Park in areas where there is frequent activity and NOT in quiet unlit side streets.
- Park away from walls and bushes which may assist in hiding a potential attacker or car thief.
- Park in such a way that an easy exit is possible.
- Ensure that all valuables, documents and other items are securely locked in the vehicle's boot.
- When returning to your vehicle, check for signs of forced entry and check the vehicle from the outside for anyone who may be hiding inside.
- Plan your parking ahead, for example a crowded car park during the day may be deserted at night. If you are leaving late try to park near to your building in a well lit busy area.



# Safety Belts and Airbags

## *Why Safety Belts Matter*

Wearing a safety belt increases your chance of surviving a crash by 40 percent. In a crash, if you're in the front and you're not wearing a safety belt, you may be thrown into the windshield or onto the road. In the back seat, you might be thrown onto the front seats, hit the roof, or smash your face into the back of the people sitting in front.

## **Driver's Responsibility for Ensuring Passengers Wear Safety Belts**

If you're the driver, the law says it's your responsibility to make sure that everyone under 15 years old is wearing a safety belt or sitting in an approved child restraint.

## **Put Children in Approved Child Restraints**

Safety belts are designed for adult bodies. Until a child can safely and comfortably wear an adult safety belt (i.e. the belt crosses their pelvis, not their stomach), you have to put them in an approved child restraint.

Some child restraints are designed so that they can be used safely with lap belts, and where this is the case, it's a safe option — check with the restraint manufacturer.

Children:

- under five years must be properly restrained in an approved child restraint.
- aged five to seven years must use an appropriate child restraint if there's one available. If there isn't, the child must use a safety belt. If there's no safety belt available, the child must sit in the back seat.
- aged eight to 14 years must use a safety belt if there's one available. If there's no safety belt, they must sit in the back seat.

Drivers and passengers 15 years and over must wear a safety belt if there's one available.

Note: Safety belts are designed to hold one adult. Never put a safety belt around two or more children, and never put a child on an adult's lap with the belt around them both.

Ask your nearest motor vehicle parts and accessories store for information.

## **Fines for Not Wearing a Safety Belt**

If you don't wear a safety belt, or you allow a person under 15 years to travel unrestrained, you can be fined \$150 for each belt not worn. The driver must personally pay for each unrestrained person under 15 years old. MSD does not cover this cost. People 15 years and over are responsible for their own fine.

## **Excuses — and Why They Aren't Valid**

Many people find excuses for not wearing a safety belt. None of the excuses below are valid.

**Pregnancy** - If you're pregnant, you must always wear your safety belt, with the lap belt worn low on the pelvis. Unborn children need to be protected from crash injuries. If you don't wear a safety belt you put two lives at risk.

**Individual Freedom** - Some people think wearing a safety belt or not is their own business. It's not a matter of choice, it's the law.

**Being Thrown Clear** - Some people claim that without a safety belt they'd be thrown clear from their vehicle in a crash. They might — but they're likely to be killed or permanently disabled. You're more likely to survive in the car, with a safety belt on.

**Being Trapped** - Some people believe that wearing a safety belt would trap them in the vehicle if they crashed. If the crash is so serious that you might be trapped, not wearing a safety belt would probably mean you're dead. When you're wearing a safety belt your chances of surviving are higher.

**Protests from Children** - Some people claim that their children don't wear safety belts because they don't like them. However, wearing safety belts is a serious safety issue — it's the sort of decision that adults make, not children. Insist that your children wear their safety belts. It could save their lives. Children who wear a restraint from birth will think it's normal to wear one.

**The Safety Belt Doesn't Fit** - If the safety belt won't fit around you, there are extensioners available.

## **Important Safety Warning**

Never put a child in a rear-facing child restraint in the front seat of a vehicle that has a passenger airbag. If the airbag activates, a child in a rear-facing restraint could be seriously injured.

## **Injuries from Airbags**

You can be injured by an airbag. The injuries are normally minor, compared with the injuries you could receive in a crash if your car didn't have airbags.

If your car has airbags:

- make sure there is nothing between the airbag cover and you (eg, never attach toys, cup holders or anything else to the top of the airbag cover)
- sit as far back from the dashboard as possible (if you're the driver, obviously you have to make sure you can still reach all the controls safely)
- follow the instructions on the airbag warning labels in your vehicle.

# Driving for Economy

## Fuel economy

Driving wisely and choosing the right car are the keys to fuel economy.

It's relatively easy to get an extra 50 km of driving out of your tank: adopt some simple driving habits, carry out basic checks on your car and choose the most fuel efficient car for your needs.

## Test your car's fuel economy

If you want to measure just how much of an improvement you're making to your car's fuel economy, you need to have a starting point.

### Follow these easy steps.

- Wait until the fuel gauge needle is on an easily visible mark just before you're due to fill up (this could be at the top of the 'E' or the next mark above if you're worried about running out of gas). Make sure you take the reading on a flat piece of road.
- When you fill up, keep track of how many litres you bought. The easiest way to do this is just to keep the docket in a safe place in your car. You don't have to fill the tank completely, but if you do, make sure you don't over fill it – just until the pump clicks off the first time.
- Reset the trip meter before you drive off. Drive around as you normally would. When the fuel gauge reaches the same point as in the first step, write down the distance you have travelled from the trip meter.
- Now you have all the information you need to calculate your fuel economy. Simply divide the number of litres you used by the distance you travelled. Now multiply this by 100. The result is your fuel economy in litres per 100km.

## Calculate your fuel economy

This simple equation will tell you your car's fuel economy:

- write the litres of fuel you filled your car with: \_\_\_\_\_ litres (a)
- write the total kilometres travelled: \_\_\_\_\_ kilometres (b)
- divide litres (a) by kilometres (b): \_\_\_\_\_ litres per km (c)
- multiply (c) by 100, this is your fuel economy in litres per 100 km \_\_\_\_\_

For example, if it takes 47 litres to fill your car and you have traveled 685km, that comes to 6.86 litres per 100 km.

If you want to monitor your fuel economy more precisely, continue to do the measurement and take averages every now and then. This will let you see if you have improved your fuel economy or slipped into more fuel consuming ways.

Keeping your tyres at the right pressure saves fuel, as does checking your alignment, engine timing, air filter and spark plugs regularly.

### **Watch your air con**

Only use air conditioning when absolutely necessary as it tends to eat fuel, up to 10 percent more in fact. Other features, such as the rear window demist, can also be a drain, so make sure you switch them off when they've done their job.

## **Sustainability – Travel Plans**

Reduce the number of miles you drive by walking, biking, carpooling or taking mass transit wherever possible.

Using Public Transport is often easier than you think and to make a difference, you don't have to use it every day. Just find ways that you can make it work for some of your regular journeys. All regional councils provide passenger transport information on their websites.

Auckland – [www.maxx.co.nz/](http://www.maxx.co.nz/)

Bay of Plenty – [www.baybus.co.nz/](http://www.baybus.co.nz/)

Canterbury – [www.metroinfo.org.nz/](http://www.metroinfo.org.nz/) [HYPERLINK](#)

Hawkes Bay Manawatu – [www.horizons.govt.nz](http://www.horizons.govt.nz/)

Otago – [www.orc.govt.nz](http://www.orc.govt.nz/)

Waikato – [www.ew.govt.nz](http://www.ew.govt.nz/)

Wellington – [www.metlink.org.nz/](http://www.metlink.org.nz/)

### **Try Telecommuting**

Telecommuting can help you drastically reduce the number of miles you drive every week. Mobile technology makes it really easy to avoid making journeys you don't have to. Use your cell phone; video conferencing facilities; conference calling instead of driving.

## **Annual justification for motor vehicle**

Budget managers must complete a vehicle justification form each year as part of the annual budgeting process.

This is to ensure that MSD budget correctly and maximise purchasing discounts and retain only those assets that are integral to the operation.

Complete vehicle justification for replacement of both existing and additional vehicles must be supplied. The factors to consider are:

- The period required based on past business use and/or projected business use.
- The likely ideal vehicle specification for business function.
- The economics and availability of alternative sources of transport compared to costs of the department's own fleet e.g. public transport, taxis, rental cars, lease vehicles and private vehicles.
- Remuneration contract vehicles supplied as part of a remuneration package do not need operational justification, but are managed as part of the departmental fleet.

The fleet officer at NAC will advise each budget manager of the vehicles that are likely to be replaced in the forthcoming financial year.

## **How to buy a motor vehicle**

### **Requirement for additional motor vehicle short term**

Unplanned ad-hoc requests for additional fleet vehicles, outside of the cost centre's annual budget process, need to be supported by a business case and capex approval.

Unplanned short term vehicle requirements (i.e. less than one year) are usually satisfied by the most cost-efficient alternatives e.g. taxis, rental cars (accessed by using national supply contracts), mileage allowances paid to users of own vehicles, buses etc.

### **Requirement for additional motor vehicle long term**

Unplanned requests for additional fleet vehicles, outside of the cost centre's annual budget process, need to be supported by a business case and capex approval.

Consult with the fleet officer at NAC before taking any action.

[Additional vehicle justification \(Excel 128.5KB\)](#)

[Expenditure approval form](#)

[Buy additional vehicle procedure](#)

[Capex procedure](#)

## **Motor vehicle fleet management**

### **Who manages the fleet?**

The manager of financial operations at the National Accounting Centre (NAC) is responsible for the management of the departmental fleet through the fleet officer at NAC.

The fleet officer monitors vehicles to maximise use and to minimise costs to ensure that all vehicles in the fleet are used consistently. Vehicles need to be rotated to ensure that all the vehicles being disposed fall within the same age/km status of 3 years/60,000km. The fleet officer will notify you if and when your vehicle is to be rotated.

The fleet officer at NAC holds all motor vehicle ownership documentation.

### **Who can authorise purchase?**

The manager of financial operations and Chief Financial Officer authorise the purchase of motor vehicles.

The fleet officer at NAC assists the leadership team and managers to allocate resources in a manner consistent with the annual business plan, and consistent with the department's capital expenditure plan.

[Buy additional vehicle](#)

### **Budget manager monitoring of fleet vehicles**

A budget manager is responsible for monitoring all fleet vehicles assigned to their cost centre and attest this when completing their budget manager internal control checklist (also included in Assure).

The following good business practice templates are provided for budget managers to use if they wish:

[MSD car tracking sheet \(Word 61KB\)](#)

[Monthly vehicle inspection checklist \(Word 45.5KB\)](#)

### **Standard of motor vehicle**

#### **Policy**

The standard for MSD's motor vehicle fleet is a four-door, 1600cc motor vehicle with manual transmission, side impact bars and impact crumple zones with room to accommodate 4 large adults comfortably, and reasonable size boot space.

Any variation to the standard MSD vehicle for a particular circumstance is to be justified based on business need for consideration by the manager of financial operations, with disputes decided by the Chief Finance Officer and relevant Deputy Chief Executive or relevant General Manager equivalent, or failing this, the Chief Executive.

The fleet officer at NAC must give prior approval before any accessory over and above the manufacturer's standard is fitted, or any part of the vehicle is altered.

Note: car kits may be issued to the following staff members at their manager's discretion:

- Deputy Chief Executives.
- General Manager equivalents.
- Regional Commissioners and Regional Operation Managers
- Benefit Control Investigators.

The fleet officer at NAC must be notified of any car kit installations.

## **Use of motor vehicles**

### **Policy**

This policy applies to all departmental motor vehicles, whether owned or leased.

### **General rules for motor vehicle usage**

- MSD vehicles may only be used for business purposes (which includes driving to/from work where "restricted personal use" has been granted), unless they are designated "full private use" vehicles.
- Staff must not use departmental vehicles for travelling outside standard working hours unless authorised to do so, or where use arises directly from the performance of duties.
- No person other than a designated staff member or an approved MSD business partner is permitted to drive the departmental vehicle.
- Vehicle drivers are not to deviate from the most effective route to carry out their responsibilities, or to delay travel for private reasons.
- The smoke free policy of the department applies to drivers and passengers using departmental vehicle. Staff members are to keep MSD vehicles clean and in good condition.
- Staff members are responsible for personal belongings left in an MSD vehicle at any time.
- Vehicles must be locked at all times when stationary and no confidential material should be left visible and unsecured in an unattended vehicle.
- Any staff member who drives an MSD vehicle in an unauthorised manner, or who allows an unauthorised person to drive or travel in an MSD vehicle, will be personally responsible for all costs in the event of any damage or loss that occurs.

### **MSD vehicle usage is categorised as:**

#### **Work Use**

Where vehicles in the office pool are used as approved by the manager for operational needs.

#### **Restricted Private Use**

Where vehicles MSD's motor vehicle fleet are allocated to an staff member to meet the operational needs and/or the required duties of a particular position. This policy will apply subject to any other terms and conditions set out in the staff member's employment agreement / contract and/or any other documentation on file.

The staff member may also be granted approval for restricted personal use in order to drive the vehicle between their workplace and home only.

Example: when covered and secure parking is not available on-site or to meet operational needs.

Household members of the staff member cannot drive the MSD vehicle but may travel as passengers with the prior approval of the staff member's manager and the manager of financial operations.

Vehicles must be made available to other staff members for work use during business hours as and when required.

Wherever practicable, the vehicle must be left at the office during any period of absence of the staff member.

MSD reserves the right to withdraw the use of the MSD vehicle/ car park at any time.

### **Full Private Use**

Full private use of MSD vehicles is limited to remuneration contract vehicles allocated to a number of staff members as part of their employment agreements / contracts. This policy will apply subject to any other terms and conditions set out in the staff member's employment agreement / contract and/or any other documentation on file.

The staff member may nominate his/her spouse or partner to drive the allocated MSD vehicle. In exceptional circumstances, an additional person may drive the MSD vehicle (for example, pickup or drop off to an event). In all cases, the driver must have a current and appropriate drivers licence and be over 25 years of age. Others may only travel as passengers.

An approval for full private use applies only to the specific vehicle that has been allocated and does not extend to any other MSD vehicle (e.g. other vehicles in the office pool).

Full private use vehicles must be available for use by the staff member during normal business hours when the staff member is working in their home region.

Staff members who have approved full private use of an MSD vehicle must pay for all private use running costs when on out-of-region private travel, or when their vehicle is being used by the nominated spouse when the staff member is away overseas for business or private purposes.

[Drivers Guide \(Word 153.5KB\)](#)

### **Who can drive vehicles?**

#### **Policy**

In all cases, the driver must have a current and appropriate driver's licence.

#### **Who can authorise?**

It is the budget manager's responsibility to ensure that any driver of MSD vehicles hold a valid driver's licence. The budget manager may also authorise a staff member to take a vehicle home if there is no garaging at work.

#### **How to authorise?**



All drivers must complete the departmental vehicle user form (Fin1004). Budget managers must retain these forms.

Budget managers can authorise staff members to take a vehicle home by completing Fin1005. A copy of this letter is to be filed on the staff member's personnel file.

### **Other driver conditions of use**

All drivers must :

- Carry their drivers licence while driving. The police may detain and impound a vehicle for 28 days at MSD expense if they find that the driver is not a qualified driver, or if the driver is not in possession of a licence.
- Complete the logbook.
- At all time obey the law. Any penalties for committing traffic offences or parking infringements will be the responsibility of the driver incurring the liability. Where an offending driver cannot be identified, located or contacted or, where a dispute has arisen regarding liability for the infringement, the liability rests with the budget manager personally, as the budget manager is responsible for the control of all assets at the cost centre.

Staff members are responsible for personal belongings left in an MSD vehicle at any time.

Vehicles must be locked at all times when stationary, and no confidential material may be left visible and unsecured in an unattended vehicle.

[Vehicle user form \(FIN1004\) \(Word 80.5KB\)](#)

[Motor vehicle conditions of use form \(Word 108.5KB\)](#)

[Drivers Guide \(Word 153.5KB\)](#)

### **Use of fuel cards**

#### **Policy**

Each MSD vehicle is issued with its own unique fuel card (i.e. BP Fuel-card/Fleetcard) for all vehicle-related supplies.

As each vehicle has a dedicated fuel card, the fuel card for one vehicle must not be used to purchase fuel for another vehicle. Staff members may not use MSD fuel cards to purchase fuel or any other items for their private vehicles for business trips.

Fuel cards are used for fuel, oil, tyres car wash and limited other vehicle-related items. No private or non-vehicle related purchases can be charged to MSD's fuel cards.

The fuel card can also be used for other vehicle repairs and purchases where accepted by the supplier.

Guidance - Seek approval from the fleet officer at NAC before "limited other vehicle related items" are purchased.

If the fuel card is lost, stolen or damaged, it must be reported to the staff member's manager and the fleet officer at NAC immediately to prevent the use of the card by an unauthorised person.

### **How do I get a Fuel card?**

Order fuel cards through the fleet officer at NAC.

Budget managers are responsible for :

- Monitoring the use and charges made to the fuel card (these are forwarded from NAC after payment has been made).
- Checking the fuel costs for reasonableness with vehicles running sheets.

### **How to buy?**

Fuel cards are issued with a set credit limit, (as shown on the reverse of the card), which should not be exceeded on any single purchase. Either the Chief Financial Officer or the Manager of Financial Operations at NAC must approve temporary increases in credit limits.

The driver must:

- Ensure that all fuel receipts are completed correctly with each card transaction, prior to signing the receipts.
- Advise the odometer reading for every fuel card purchase. The reason for this is that the odometer reading drives the vehicle replacement program as well as tracking vehicle performance to ensure optimum use of each vehicle in the fleet.
- Use the correct fuel. All fleet vehicles other than diesel vehicles must be fuelled with unleaded 91, with the exception of the Ford Focus which uses 96.
- Retain the fuel card receipts and return them to the budget manager or the support officer.

### **Motor vehicle incidents/accidents**

#### **Policy**

Any incident involving an MSD vehicle must be reported immediately to the budget manager and the fleet officer at NAC via the accident/incident claim advice form.

Incidents include (but are not limited to) accidents, damage, theft and vandalism.

Examples include:

- Damage to windscreens.
- Collision with other vehicle or property.
- MSD vehicle only involved.

In the event of an accident or damage involving another vehicle, MSD staff should not accept any liability for the accident or for repairs to the other vehicle(s).

All accidents/incidents involving damage to an owned, leased or rented vehicle must be reported immediately to the budget manager. Once reported to the budget manager, the liable driver (or support person) is to complete the accident/incident claim advice form and forward it to the fleet officer at NAC (who maintains a register of all accidents/damage to MSD vehicles).

### **Who can authorise repairs?**

The fleet officer liaises with appropriate staff on required action to effect repairs.

Windscreen replacement and repairs are provided at no cost to MSD. The fleet officer at NAC will provide details to the insurance company.

### **Notification to Insurance Company**

NAC provides details of any incident involving a collision with property or another vehicle to the insurance company via the accident/incident claim advice form submitted by the MSD staff member.

Where an incident or accident involves an MSD vehicle solely, MSD will pay up to \$2,000 excess. This payment depends on the staff member gaining quotes from three repair outlets and submitting these with the accident/incident claim advice form to the fleet officer at NAC.

If repair costs are greater than \$2,000, NAC provides details of the claim to the insurance company via the accident/incident claim advice form submitted by the MSD staff member.

[Motor vehicle insurance and claims \(Word 397.5KB\)](#)

### **Motor vehicle insurance and claims**

#### **Policy**

MSD's insurance policy covers all office vehicles that are owned, leased or rented. Any authorised driver, including persons nominated by Senior Managers (full private use), using MSD vehicles for business purposes are covered by the insurance policy. Refer to the fleet officer at NAC for information on motor vehicle insurance.

#### **Who organises insurance?**

Motor vehicle insurance is organised through the Finance department.

#### **Making an insurance claim**

An insurance claim is to be made on the day of the incident.

Once the motor vehicle accident claim form is received at NAC, the fleet officer will advise whether or not it is in the best interest of MSD to lodge an insurance claim.

The fleet officer will be responsible for lodging the insurance claim, then liaising between the insurance company and MSD staff to make repairs to the damaged car.

Each and every claim with MSD's insurer is subject to an excess of up to \$2,000 charged to the relevant cost centre, irrespective of who causes the accident or damage.

Any staff member who drives an MSD vehicle in an unauthorised manner, or who allows an unauthorised person to drive or travel in an MSD vehicle, will be personally responsible for all costs in the event of any damage or loss that occurs.

Motor vehicle insurance and claims (Word 397.5KB)  
Staff accident insurance and claims

## **Maintenance of tyres**

### **Policy**

Tyres should be replaced after 40,000km use or sooner if required. Tyres should only be purchased from the following preferred suppliers:-

- Beurepairs
- Firestone
- Local equivalents of these outlets

Ensure the supplier is aware that the purchase is for MSD.

### **How to buy?**

Tyres are to be paid by BP Fuelcard or Fleetcard.

Purchase the tyre(s) from Firestone or Beurepairs.

If the cost is greater than the credit limit shown on the card, ask the supplier to contact the fleet officer at NAC for authorisation of purchase.

Wheel alignments can also be completed at these suppliers.

## **General maintenance of motor vehicles**

### **Policy**

All vehicles, when purchased, provide a standard service plan from the dealer outlet.

Vehicles must be maintained in accordance with the manufacturer's requirements to comply with the warranty.

Most vehicles provide a 3 year, 60,000km standard service plan, including:

- Free warrant of fitness (excluding Mazdas)
- Free service check

Note: Please check the service plan and windscreen sticker provided by the dealer on collection of the motor vehicle. Ensure that the service plan is kept in the glove box of the vehicle.

### **Who can authorise purchase?**

Budget managers are responsible for ensuring that vehicles are serviced at the prescribed intervals. Any unusual condition must be checked by a service agent and reported to the fleet officer immediately.

Outside the warranty period specified in the service plan, budget managers must ensure that the vehicles are serviced by an appropriate dealership.

Annual fleet relicensing is centralised and managed by the fleet officer at NAC.

Budget managers must ensure vehicles under their control display current registration.

Budget managers are responsible for ensuring that each vehicle has a current warrant of fitness.

### **How to organise**

The original dealer, or an appropriate dealership, will perform routine maintenance according to the service plan issued at the time of vehicle purchase.

Note: it is critical that MSD use the appropriate dealership for the brand of car (i.e. Toyota dealer for Toyota vehicle). If in doubt, please contact the fleet officer at NAC before taking a vehicle for servicing.

The service provider sends an invoice to the budget manager for manual payment:

- For any defects outside the standard service plan (i.e. air filter, wiper blades) but inside the warranty period, and/or
- for ongoing vehicle maintenance outside the warranty period.

### **Disposal of motor vehicles**

#### **Policy**

When a vehicle is replaced, the old vehicle must be surrendered and sold as soon as practicable after the delivery of the new vehicle. A replacement vehicle should not be retained by the cost centre for a perceived transport need without prior justification and approval from the fleet officer at NAC.

Lease charges will continue until the surrendered vehicle is accepted as being in good order.

The vehicles being surrendered for disposal must be in good order and without damage to maximise sales proceeds. If surrendered vehicles require reconditioning to bring them up to a saleable condition, the cost is borne by the disposing cost centre.

Surrendered vehicles are deemed to be in good order when the person on the receiving end (e.g. auctioneers or receiving site) accepts the vehicles as being in good order.

Good order and without damage means :-

- No dents in body work,
- clean,
- no rips, holes, burns or stains in the upholstery ,
- complete with all original equipment,
- no broken or cracked glass,
- evidence of vehicle having been serviced according to the manufacturers recommendations, and
- complies with regulatory standards of road fitness.

Some frontal stone chips are considered fair wear and tear, but a mass of stone chips will need rectification work.

### **Who can authorise the disposal of a motor vehicle?**

Disposal of vehicles is the responsibility of the fleet officer at NAC. The budget manager may only assist with the physical disposal of vehicles.

### **How to dispose of a motor vehicle?**

Disposals are usually by auction. Sales proceeds must be sent to NAC for banking (cheques are preferred).

The purchaser pays the change of ownership fee. The fleet officer at NAC arranges the registration of the change of ownership after the sale proceeds have been banked and cleared.

The fleet officer at NAC completes the fixed assets disposal form and sends it through to the fixed asset accountant at national office to update the fixed asset register.

### Dispose of motor vehicle

### **FBT on motor vehicles**

#### **Policy**

Fringe benefit tax (FBT) is payable by the cost centre managing the vehicle, for each day a vehicle is available for private use.

i.e. where an staff member has access to a departmental motor vehicle, and has not been forbidden private use.

#### **Calculating the value of FBT**

The calculation of the value of a motor vehicle fringe benefit is based upon the "cost price of the motor vehicle" for FBT purposes.

#### **Exemptions from FBT**

FBT is not payable for the following days :-

- Garaged at work.
- Garaged at home and not available for private use (i.e. weekend), per written instruction.
- Parked at the airport (for at least a continuous 24 hour period) whilst the staff member travels on business.
- Out of town with a staff member on business (for at least a continuous 24 hour period).
- Emergency call out (i.e. after hours call out for building officer, system support officer etc).
- If an emergency call out occurs the whole day is exempt, even if available for private use because the car was taken home.

It is MSD policy to record the exempt days described above and apply this FBT exemption where appropriate

#### **How to record FBT**

Instructions are distributed each quarter on the intranet.

RELEASED UNDER THE ACT  
OFFICIAL INFORMATION ACT