

**ITEM PRIVATE MOTOR VEHICLES USED ON
DEPARTMENTAL BUSINESS****POLICY** By-law 32 of the By-laws under the *Public Sector Employment and Management Act* states that

- (1) A private vehicle shall not be used for official purposes without the approval of the Chief Executive.
- (2) The Chief Executive may authorise the use of a private vehicle for official purposes provided that the Chief Executive is satisfied that
 - (a) the use of the private vehicle in the circumstances is, or is likely to be, more economical than the use of an official vehicle;
 - (b) the employee has given a written indemnity that is signed and witnessed indemnifying the Territory against all claims that may arise due to the use of the private vehicle.
- (3) An authorisation under clause (2) may be given in respect of the use of a private vehicle –
 - (a) in the course of an employee's employment;
 - (b) to tow a caravan or trailer owned by the Territory, or to carry tools, goods or materials owned by the Territory, or to carry passengers who would otherwise be transported at the expense of the Territory;
 - (c) for the purpose of travel where an employee is entitled to the cost of conveyance following permanent appointment, promotion or transfer.

Allowances for the use of private vehicle

- (4) Where the Chief Executive has given approval under this By-law an employee may be paid an allowance at a rate determined by the Commissioner, in respect of each kilometre travelled.
- (5) Where the Chief Executive has given approval under this By-law, an employee may be paid an additional allowance at a rate determined by the Commissioner, in respect of any one of the following
 - (a) passengers carried (regardless of the number of passengers);
 - (b) towing an Agency's trailer or caravan,
 - (c) carriage of an Agency's tools, goods or equipment provided that the mass of the items carried exceeds 100 kilograms.

Reimbursement of premium

Most insurers who carry motor vehicle damage cover include in the proposal a declaration as to whether the vehicle is to be used for private, business or mixed private/business purposes. As a contract of insurance is a contract requiring full disclosure, any change in the declared use of the vehicle should be notified to the insurer either immediately or upon annual renewal depending on the wording of the policy. In the event of the vehicle being used totally or partially for business purposes, there is a commensurate increase in the magnitude of the premium.

Staff are reminded that they are entitled to be reimbursed in accordance with the provisions of the by-laws but must complete and have approved, an Application to use Private Vehicle under By-law 32 form prior to claiming a kilometre allowance.

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