

## Commission Chief Executive Directive: Executive Remuneration Package – Motor Vehicles and Allowances

### 1. Purpose:

To specify the arrangements for motor vehicle allowances provided to executives as part of their remuneration package.

2. **Effective date:** 13 September 2013

### 3. Legislative provisions:

Sections 53(b), 53(baa), 96, 113, 121 and 122 of *Public Service Act 2008* (PSA)

### 4. Application:

This directive applies to chief executives, senior executives and persons engaged under s122 who receive an executive vehicle allowance as part of their remuneration package.

### 5. Previous references:

Policy: Executive Remuneration Package – Motor Vehicle (June 2012)

### 6. Related information:

- Directive relating to senior executive service employment conditions
- Directive relating to engaging officers on contracts for a fixed term
- Executive contracts of employment
- Policy on the use of government owned motor vehicles and parking of private vehicles on official premises

### *Directive*

### 7. Provision of government owned motor vehicles

7.1 Subject to clause 7.2, unless otherwise determined by the relevant authority, executives will be provided with an executive vehicle allowance as part of their remuneration package.



7.2 Executives who, as at the effective date of this directive, have purchased the private use component of a government owned motor vehicle as part of their remuneration package retain this on the terms and conditions set out in this directive until the expiration of the current lease term. Replacement vehicles will not be offered or provided at the end of the lease period.

## **8. Conditions for the provision of an executive vehicle allowance**

8.1 Where an executive receives an executive vehicle allowance:

- (a) the allowance will be included in their regular fortnightly pay but will not be recognised for the purposes of superannuation, annual leave loading or service or separation payments under a contract of employment (excluding the payout of any accrued recreation or long service leave)
- (b) they are not eligible for the payment of a motor vehicle allowance under a directive should they use their private vehicle for official business purposes
- (c) they may be provided with use of an official car park on conditions determined by the chief executive
- (d) and takes leave on half pay, the allowance shall be on half pay
- (e) and takes leave without pay, they will not receive the allowance for the duration of the unpaid leave.

## **9. Conditions for private use of government owned motor vehicles**

9.1 Vehicles remain the property of the government and cannot be altered, including unauthorised signs or stickers, without the written approval of QFleet.

9.2 Vehicles are comprehensively insured; any excess on the policy is payable by the executive's department.

9.3 Where an executive purchases private use:

- (a) the grossed up value will be deducted from the total remuneration package until the expiration of the current lease term
- (b) where the grossed up value is less than their allowance, the difference will be paid to the executive as part of their fortnightly pay but will not be recognised for the purposes of superannuation, annual leave loading or service or separation payments under a contract of employment
- (c) they will be provided with a fuel card for that vehicle, with invoices issued directly to the agency
- (d) they will be provided with an official car park at the expense of the department
- (e) they must ensure their use of the vehicle is in accordance with any relevant policy

- (f) they must make the vehicle available for business use by other employees during normal business hours or during periods of leave without pay (subject to clauses 9.5 and 9.6)
- (g) they (or authorised drivers) will be responsible for any penalties, traffic offences and/or payments of fines associated with official and/or private use
- (h) they may be liable for costs of insurance claims where the comprehensive coverage has been voided
- (i) RACQ membership is included in the grossed up value
- (j) and the vehicle is unavailable through accident or mechanical breakdown, the chief executive may approve, at department cost, the hire of a replacement vehicle. The grossed up value of the executive's leased vehicle continues to be payable by the executive during such periods
- (k) and has their license suspended or revoked, the executive will continue to pay the grossed up value until such time as they no longer have access to the vehicle or it is reassigned (whichever is the sooner). Beyond this date they will receive the executive vehicle allowance
- (l) they may, at the discretion of the chief executive, purchase the vehicle upon non-renewal of their contract, retirement, resignation or cessation of their current lease arrangement. Conditions of purchase are determined by QFleet.

9.4 A part-time executive who purchases private use may, at the discretion of the chief executive, retain use of the government owned motor vehicle on their non-scheduled work days. If this occurs, the executive will be required to contribute the full grossed up value of the vehicle, even where this exceeds their executive vehicle allowance.

9.5 An executive will generally retain private use of the motor vehicle during periods of paid leave up to eight weeks;

- (a) if the executive retains private use they will continue to pay the grossed up value during this period;
- (b) if the executive does not retain private use they will not be required to pay the grossed up value and will receive the executive vehicle allowance as part of their fortnightly pay during this period.

9.6 If paid leave exceeds eight weeks, the chief executive must determine the official need for the vehicle during the executive's absence. Where the chief executive determines an official need for the vehicle the executive will not be required to pay the grossed up value and will receive the executive vehicle allowance as part of their fortnightly pay during this period.

9.7 Where an executive who has purchased private use is terminated or their contract not renewed, the amount of the executive vehicle allowance applicable to their role will be recognised for the purposes of determining the payout of any accrued recreation or long service leave.

## 10. References to chief executives

10.1 Where a decision relates to the chief executive (as an executive covered by this directive), the decision may be made by the Commission Chief Executive (CCE) of the Public Service Commission (PSC), or in the case of the CCE, the Director-General of the Department of the Premier and Cabinet.

## 11. Dictionary

For the purpose of this directive, unless otherwise provided, the definitions contained in the PSA apply.

**Executive** means chief and senior executive service officers and officers employed on fixed term contracts of employment who receive an EVA as part of their remuneration package.

**Executive Vehicle Allowance (EVA)** means the annual maximum vehicle cost, applicable to the executive's classification level, as determined by the appropriate authority. The EVA forms part of the executive's remuneration package, but is not part of their superannuable salary. Executives who work part-time are entitled to the EVA on a pro-rata basis. An executive may receive a partial EVA where they have purchased private use of a government owned motor vehicle and the GUV of such is less than the EVA applicable to the executive's classification level.

**Grossed Up Value (GUV)** means the total annual value, including any adjustments, that will be deducted from the executive's remuneration package for the access of a fully maintained government owned motor vehicle for business and private use.

**Private use** means the use of a fully maintained government owned motor vehicle by an executive as part of their remuneration package including:

- travelling to and from the executive's place of work, after hours use and during periods of paid leave; and
- the vehicle being driven by any responsible licensed person including immediate family (at the executive's discretion).

Private use does **not** include the executive or any other person conducting private business ventures or commercial activity of any description.