

5 Other Matters

Not Relevant

502 TF07/029CS

Treasurer's Item (Kevin Foley)  
**APPROVED**

Not Relevant

**CABINET COVER SHEET**

- 1. TITLE:** Review of Members of Parliament Remuneration Vehicle Terms and Conditions
- 2. MINISTER:** Kevin Foley MP  
DEPUTY PREMIER  
TREASURER
- 3. PURPOSE** That Cabinet recommend to His Excellency the Governor in Executive Council, pursuant to Section 6A of the *Parliamentary Remuneration Act 1990*, that he approve revised Terms and Conditions for the benefit provided to Members of Parliament by way of a right to the use of a private plated motor vehicle as set out in Attachment A to this submission.
- 4. IDENTIFY THE RELEVANT GOVERNMENT POLICY AND/OR SA's STRATEGIC PLAN TARGET** This submission proposes minor variations to the Terms and Conditions for the supply of motor vehicles for private use by Members of Parliament, as approved by Cabinet and the Governor in Executive Council on 16 December 2004.
- 5. ICT COMPONENT** Does the submission have a material ICT Component?  
 Yes  No
- 6. RESOURCES REQUIRED FOR IMPLEMENTATION** No additional resources are required  
  
Treasury and Finance agrees with the basis of the assessment of costs contained in this submission.
- 7. COMMUNITY AND ENVIRONMENTAL IMPACT** Does the submission have an impact on business?  
 Yes  No
- 8. RISKS** As with the current arrangements, MPs will be required to sign a document agreeing to be bound by Terms and Conditions governing the use of vehicles as approved by the Governor.
- 9. CONSULTATION** Fleet SA, Cabinet Office and the Department of Treasury and Finance have been consulted in developing this submission.
- 10. COMMUNICATION STRATEGY** Fleet SA will write to all Members of Parliament informing them of the changed Terms and Conditions

**11. URGENCY**

Within Cabinet timeframes

**12. RECOMMENDATIONS**

It is recommended that Cabinet recommend to His Excellency the Governor in Executive Council, pursuant to Section 6A of the *Parliamentary Remuneration Act 1990*, that he approve revised Terms and Conditions for the benefit provided to Members of Parliament by way of a right to the use of a private plated motor vehicle as set out in Attachment A, noting:

- 12.1 inclusion of a provision for the use of Short Term Hire vehicles from Fleet SA for defined periods where MP vehicles may be out of service;
- 12.2 that details of the available vehicles and their annualised cost are no longer listed in the Terms and Conditions, but are included instead in the MP Remuneration Vehicle Pricing Addendum reviewed quarterly by Fleet SA (as reflected in the revised Terms and Conditions);
- 12.3 the inclusion of the Holden Calais as an available vehicle under the MP Remuneration Vehicle Pricing Addendum (refer Attachment B);
- 12.4 other changes to the Terms and Conditions as summarised in item 3.3 of this submission.

I declare that I have no actual or potential conflict of interest in relation to the proposals contained in this submission.

  
Kevin Foley MP  
**DEPUTY PREMIER**  
**TREASURER**

5/10/2007

To The Premier for Cabinet and Executive Council

Re REVIEW OF MEMBERS OF PARLIAMENT REMUNERATION VEHICLE TERMS AND CONDITIONS

1 PROPOSAL

That Cabinet:

1.1 recommend to His Excellency the Governor in Executive Council, pursuant to Section 6A of the *Parliamentary Remuneration Act 1990*, that he approve revised Terms and Conditions for the benefit provided to Members of Parliament (MPs) by way of a right to the use of a private plated motor vehicle as set out in Attachment A, noting:

1.1.1 the inclusion of a provision for the use of Short Term Hire vehicles from Fleet SA for defined periods where MPs vehicles may be out of service;

1.1.2 that details of the available vehicles and their annualised cost are no longer listed in the Terms and Conditions, but are included instead in the MP Remuneration Vehicle Pricing Addendum reviewed quarterly by Fleet SA (as reflected in the revised Terms and Conditions);

1.1.3 the inclusion of the Holden Calais as an available vehicle under the MP Remuneration Vehicle Pricing Addendum (refer Attachment B);

1.1.4 other changes to the Terms and Conditions as summarised in item 3.3 of this submission.

2 BACKGROUND

2.1 On 11 December 2003 the Remuneration Tribunal issued a Determination and Report No 11 of 2003 regarding the Ministers of the Crown and Officers and Members of Parliament. This Determination and Report considered submissions from parties relating to MPs. One issue raised by a number of parties was the provision of a motor vehicle.

2.2 The Tribunal considered submissions and decided to issue a survey to all MPs to gather more information. The Tribunal decided to defer its decision until the surveys were completed in July 2004.

2.3 In July and August 2004 a number of legislative changes were introduced to the *Parliamentary Remuneration Act 1990*, which resulted in the Tribunal being required to make a determination on the provision of motor vehicles for MPs.

2.4 In December 2004 a further amendment was made to the *Act*, which revoked the requirement on the Tribunal to make a determination. On 16 December 2004, the Governor approved administrative arrangements to allow MPs a vehicle, subject to them making a financial contribution. These arrangements were set out in Terms and Conditions included as an annexure to the submission considered by Cabinet at that time.

### 3 DISCUSSION

- 3.1** It is proposed to make some minor amendments to the Terms and Conditions related to the use of private-plated motor vehicles by MPs in order to improve interpretation of the document and to remove redundant information.
- 3.2** In addition, a provision is proposed to allow for the use of Short Term Hire vehicles from Fleet SA, for defined periods, where MP vehicles may be out of service for extended periods. The current Terms and Conditions specifically exclude the availability of Short Term Hire vehicles to MPs.
- 3.3** The proposed arrangements are reflected in the Terms and Conditions for the provision of motor vehicles to Members of Parliament at Attachment A to this submission. In addition to the provision of access to Short Term Hire vehicles mentioned above, the proposed Terms and Conditions include the following changes to arrangements approved in December 2004:
- 3.3.1** removal of the vehicle pricing tables for vehicles and the upper limit dollar value, and subsequently the inclusion of references to the MP Remuneration Vehicle Pricing Addendum, reviewed quarterly by Fleet SA (refer Attachment B);
  - 3.3.2** an explanation of the Ordinary Limit and its review by Fleet SA to reflect changing vehicle prices and its inclusion with the quarterly review of the MP Remuneration Vehicle Pricing Addendum;
  - 3.3.3** removal of tables of accessories and inclusion of a reference to the cost of options and accessories to be sought upon application from Fleet SA;
  - 3.3.4** removal of pricing tables of four wheel drive vehicles available to the Members for Flinders, Giles and Stewart, and inclusion of a provision for Members whose principal place of residence is at least 75 kilometres from the Adelaide GPO to select a base model diesel fuelled four wheel drive vehicle as determined by Fleet SA on application;
  - 3.3.5** a variation to the requirement for members to retain vehicles for 3 years (or nominated period) or 60,000 km, whichever occurs first, to allow for vehicles to be retained until 100,000 km have been travelled if a Member is likely to travel an exceptional distance each year;
  - 3.3.6** provision for outstanding amounts, above the Ordinary Limit, to be recovered in instances where Members return vehicles prior to the lease end date. Contributions above the Ordinary Limit are recoverable over the vehicle lease term from Members where the total annual annualised cost of the chosen vehicle exceeds the Ordinary Limit;
  - 3.3.7** strengthening of the wording for the liability of Members with respect to insurance, fines, penalties etc and licence demerit points implications, including:
    - 3.3.7.1** exclusion of towed vehicles (eg caravans, trailers) from cover under the Government's insurance arrangements;

- 3.3.7.2** provision for Members to be liable for penalties imposed by private sector organisations such as private parking management organisations;
- 3.3.7.3** provision for Members to incur licence demerit points, in addition to liability that currently exists for payment of fines, penalties, additional fees or levies.
- 3.4** It is also proposed to add the Holden Calais to the MP Remuneration Vehicle Pricing Addendum, which is reviewed quarterly by Fleet SA and updated as necessary with regard to vehicle models and pricing (refer Attachment B).
- 3.5** In the Holden vehicle range the Commodore Berlina model was made available to Members which was the 3<sup>rd</sup> model in a 4 model range. With the release of the VE Commodore series in August 2006, Holden repositioned its model line up, dropped the Acclaim model and introduced the Calais V. The model line up is now the Omega, then Berlina, then Calais, then Calais V. As the Calais is now the 3<sup>rd</sup> model in the line up, it is recommended that this is made available to Members.
- 3.6** No change is proposed to the currently approved \$7,000 base annual charge payable by Members for access to a government vehicle, provided that the annual cost of the vehicle and any accessories or options does not exceed the Ordinary Limit specified in the MP Remuneration Vehicle Pricing Addendum (currently \$20,597 – refer Attachment B).
- 3.7**
- 3.7.1 Economic, financial and budgetary implications**
- The ongoing costs related to the availability of Short Term Hire vehicles will be accommodated in the current budget program.
- 3.7.2 Required resources**
- No additional resources are required – as confirmed by the costing comment provided by the Department of Treasury and Finance (Attachment C).
- 3.7.3 South Australia's Strategic Plan**
- There is no impact on South Australia's Strategic Plan
- 3.7.4 Information and Communication Technology Requirements**
- None.
- 3.7.5 Staffing implications**
- There are no staffing implications.
- 3.7.6 Impact on the community and the environment**
- There should be no increase in environmental impact.
- 3.7.7 Risk Management Strategy**
- As with the existing arrangements, at the time MPs inform Fleet SA of the type of vehicle they want, they will be required to sign a document

agreeing to be bound by the Terms and Conditions approved by the Governor.

### 3.7.8 Consultation

Fleet SA, the Cabinet Office and Department of Treasury and Finance have been consulted in the preparation of this submission.

### 3.7.9 Implementation Plan

The revised terms and conditions will operate prospectively from the date of the Governor's approval.

### 3.7.10 Communication Strategy

Fleet SA will write to all MPs informing them of the changes.

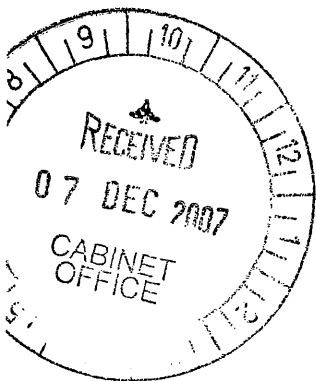
### 3.7.11 Executive Council

Approval by His Excellency the Governor in Executive Council is required to amend the Terms and Conditions pursuant to Section 6A of the Parliamentary Remuneration Act 1991.

## 4 RECOMMENDATIONS

- 4.1. It is recommended that Cabinet recommend to His Excellency the Governor in Executive Council, pursuant to Section 6A of the *Parliamentary Remuneration Act 1990*, that he approve revised Terms and Conditions for the benefit provided to Members of Parliament by way of a right to the use of a private plated motor vehicle as set out in Attachment A, noting:

- 4.1.1. the inclusion of a provision for the use of Short Term Hire vehicles from Fleet SA for defined periods where MP vehicles may be out of service;
- 4.1.2. that details of the available vehicles and their annualised cost are no longer listed in the Terms and Conditions, but are included instead in the MP Remuneration Vehicle Pricing Addendum reviewed quarterly by Fleet SA (as reflected in the revised Terms and Conditions);
- 4.1.3. the inclusion of the Holden Calais as an available vehicle under the MP Remuneration Vehicle Pricing Addendum (refer Attachment B);
- 4.1.4. other changes to the Terms and Conditions as summarised in item 3.3 of this submission.

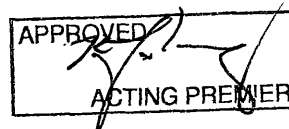


***In Cabinet***

  
Kevin Foley MP  
**DEPUTY PREMIER**  
**TREASURER**

811742007

10 DEC 2007



## ***Parliamentary Remuneration Act 1990***

Pursuant to section 6A of the *Parliamentary Remuneration Act 1990* I, the Governor with the advice and consent of the Executive Council, acting as the Crown, provide in addition to the awards of the Remuneration Tribunal a benefit to Members of Parliament by way of the right to the use of a private plated motor vehicle on the terms and conditions set out below:

### **TERMS AND CONDITIONS**

#### **1. Supply of vehicle**

1.1 By returning to the Director, Fleet SA, a form supplied by Fleet SA, a Member may elect to be supplied with one of the motor vehicles listed in the MP Remuneration Vehicle Pricing Addendum (issued quarterly by Fleet SA), provided that the total annual cost of the vehicle and any accessories does not exceed the Ordinary Limit, otherwise additional contributions will be required from the Member. The MP Remuneration Vehicle Pricing Addendum and Ordinary Limit are subject to quarterly revision by Fleet SA.

1.2 Members are not permitted to place orders for vehicles directly with dealers or manufacturers nor may they make any commitment to a dealer or manufacturer concerning the placement of an order. All orders for vehicles must be placed with Fleet SA. Vehicles may be delivered in regional centres by dealers approved by Fleet SA and also serviced locally.

1.3 The Base Annual Charge payable by the Member will be \$7,000 provided that the annual cost of the vehicle and any accessories or options do not exceed the Ordinary Limit.

The Ordinary Limit sets the maximum total annual cost (including any additional accessories, options etc) of vehicles provided under this scheme for which no additional contribution will be required from a Member above the Base Annual Charge.

If the annual cost does exceed the Ordinary Limit, then the Member will be required to pay a contribution comprising the difference between the total annual cost of that vehicle and the Ordinary Limit, which is in addition to the Base Annual Charge.

1.4 The Base Annual Charge payable by the Member covers the supply of the vehicle, fuel, tyres, insurance, registration and service and repairs (subject to the restrictions and exclusions set out in Parts 2, 3 and 4 below).

1.5 The annual charge for accessories or options (where the accessories or options exceed the Member's Ordinary Limit) is to be apportioned over the three year period (or nominated period less than three years) for which the vehicle is to be retained but with only 80% of the cost being recovered from the Member on the

.....  
(Signature)

basis that Fleet SA can expect to recover 20% of the cost on the resale of the vehicle. The annual charge for accessories is to be made in accordance with the option and accessory pricing available from Fleet SA upon application. Option and accessory pricing is reviewed from time to time by the Director Fleet SA to reflect changes in the prices of accessories.

- 1.6 Notwithstanding clause 1.1 and clause 1.3, Members whose principal place of residence is at least 75 kilometres from the Adelaide GPO will be able to select a base model diesel fuelled four wheel drive vehicle as determined by Fleet SA on application.

The annual cost of these vehicles will also be available upon application to Fleet SA.

If any of these Members select a four wheel drive vehicle, that Member will be required to pay in addition to the Base Annual Charge of \$7,000, an additional contribution comprising the difference between the annual cost of that vehicle and the Ordinary Limit. If they select a four wheel drive vehicle they will also be required to pay the annual cost for accessories and/or options.

- 1.7 Subject to clause 1.8, a vehicle must be retained by a Member for 3 years or 60,000 kilometres travelled, whichever first occurs. An adjustment to the annualised contribution by Members for options or other costs recoverable above the Ordinary Limit will be required if the vehicle reaches 60,000 km earlier than 3 years or the nominated period. This adjusted amount will be recovered from the Member when the vehicle is returned to Fleet SA at the end of the vehicle's lease.
- 1.8 Notwithstanding clause 1.7, if a particular Member is likely to travel an exceptional distance each year, Fleet SA may determine that the vehicle may be retained until 100,000 km have been travelled.
- 1.9 If a Member does not seek re-election the vehicle must be returned to Fleet SA within seven days of the closing of nominations for the next election for his or her seat.
- 1.10 If a Member is not re-elected the vehicle must be returned to Fleet SA within seven days of the declaration of the polls for the seat in which he or she sought election.
- 1.11 In instances of the early return of vehicles by Members, outstanding contributions for amounts above the Ordinary Limit will be recovered.

## 2. General Conditions

- 2.1 The Member must take reasonable care of the vehicle at all times, this includes ensuring that it is driven carefully, arranging for fuel and the maintenance of the vehicle in accordance with Fleet SA requirements (specified at the time the vehicle is made available), keeping the vehicle clean, advising Fleet SA of any mechanical problems or damage, ensuring the safety of the vehicle by parking it off street

.....  
(Signature)

wherever possible and keeping it locked. Car washing expenses are the responsibility of the Member.

2.2 A Member is entitled to a replacement Short Term Hire vehicle from the Fleet SA Short Term Hire pool (subject to availability) during periods when the vehicle allocated to that Member is unavailable for use under the following circumstances:

- A Member's vehicle is declared a statutory or economical write-off.
- A Member's vehicle is subject to accident repairs or theft resulting in the vehicle being out of service for periods exceeding 2 consecutive working days.
- A Member's vehicle is subject to unscheduled maintenance or warranty repair(s) resulting in the vehicle being out of service for periods exceeding 2 consecutive working days.

Requests for Short Term Hire vehicles must be ratified and provided if available by Fleet SA. Short Term Hire vehicles will be made available (subject to availability) after the specified out of service period. Short Term Hire vehicles must be returned immediately upon the return of a Member's vehicle into service.

2.3 Fuel cards issued for Fleet SA vehicles may only be used to purchase oil, regular unleaded fuel, diesel or LPG, as specified by the vehicle manufacturer. Fuel cards must not be used for batteries, fuel additives, car washes or personal items. Lost fuel cards are to be reported to the relevant fuel company and Fleet SA immediately.

2.4 The vehicle is available for the Member's private use and use by the Member's spouse or domestic partner and any adult children of either person who live with them (hereafter referred to as "the immediate family" of the Member) provided that the immediate family member holds at a minimum a South Australian provisional drivers licence. The vehicle may also be driven by a member of the staff of the Member or by another Member on electoral or Parliamentary business. Except in an emergency, the vehicle may not be driven by the holder of a learner's permit (apart from the Member) nor by any person not specifically authorised to drive by this clause. So as to remove doubt, a Member who holds a provisional licence may drive the vehicle.

2.5 The vehicle is available to the Member for unlimited use, including interstate travel. However, the Member must meet the cost of fuel, oil and coolant for the vehicle during interstate travel.

2.6 Political signs or advertisements must not be permanently attached to a vehicle.

### 3. Liabilities/indemnities

3.1 The Member, immediate family members and authorised drivers as per clause 2.4 will be fully indemnified against third party bodily injury.

.....  
(Signature)

3.2 The Member, immediate family members and authorised drivers as per clause 2.4 will be fully indemnified against third party property liability and for any damage to the vehicle, except in the circumstances outlined below:

3.2.1 Where a driver of a Fleet SA vehicle is found to be under the influence of drugs or alcohol, the driver may be personally liable for damages in the event of an accident.

3.2.2 The driver may be liable to meet the cost of any insurance excess charged where the driver of the vehicle is blameworthy for any damage caused if the vehicle is being used for authorised private purposes.

3.2.3 The driver may be liable to meet the full cost of any damages incurred by any involved parties if the vehicle was being used for unauthorised purposes.

3.3 The Member must also promptly advise Fleet SA of any damage or injury to the vehicle or any person or property caused by the use of the vehicle.

**4. Insurance – theft**

4.1 Where a Fleet SA supplied vehicle is stolen, a report must be made to the Police and Fleet SA as soon as possible and always within 24 hours.

4.2 Personal, electoral and or Parliamentary business items belonging to the Member, family or other persons that are stolen from a Fleet SA supplied vehicle are not covered by the Government's insurance arrangements. Any items (eg caravans, trailers) that are towed by a Fleet SA supplied vehicle are not covered by the Government's insurance arrangements.

**5. Traffic infringement notices**

5.1 The driver of the vehicle when an offence or infringement occurred is liable for the payment of any fines or traffic infringement notices issued by a court, the Police or local government, other public authorities and private sector organisations.

5.2 If the driver of the vehicle at the time when an offence or infringement occurred cannot be established, the Member to whom the car is allocated is liable to pay the fine or penalty and also any additional fee, penalty or levy, and incur licence demerit points where applicable.

**6. Accessories/options**

6.1 Only manufacturer-approved accessories and options (eg tow-bar) may be installed and fitted to the vehicles supplied by Fleet SA. The restriction relating to manufacturer-approved accessories and options does not extend to mobile phone hands-free kits and aerials. After sales accessories may only be fitted by an installer

.....  
(Signature)

approved by Fleet SA. The names of approved installers will be supplied on request to Fleet SA.

- 6.2 Payment for accessories and options is to be made in accordance with clause 1.5.
- 6.3 Most accessories and options are classified as permanent fittings which cannot be removed by the Member. If the Member is in any doubt as to permanence he or she must check with Fleet SA before removal.
- 6.4 When the vehicle is due for return to Fleet SA the Member may, at his or her own expense, have non-permanent accessories or options removed from the vehicle, providing that the Member meets the full cost of restoring the vehicle to the same condition as if the accessories or options had not been fitted. No compensation will be paid if accessories or options are left fitted to the vehicle unless otherwise agreed with the Director Fleet SA.
- 6.5 Options such as airbags, ABS brake systems and cruise control may not be removed. Tow bars cannot and must not be reinstalled on another vehicle.

**7. Dispute Resolution**

- 7.1 Any dispute or disagreement as to the application or meaning of this determination must be referred to the Chief of Staff to the Treasurer.

I acknowledge that I have read and understood the terms and conditions determined by the Governor under the *Parliamentary Remuneration Act 1990* providing for the supply of a motor vehicle to Members of Parliament and further acknowledge that by accepting a motor vehicle I am bound by those terms and conditions.

Name: .....  
(Please print clearly)

Signature: .....

Date: ...../...../.....

.....  
(Signature)



**Government of South Australia**

Fleet SA

**DRAFT**

**Approved Ministerial Remuneration Vehicles**  
As at

<b>Vehicle</b>	<b>TRPV Component</b>
Holden Calais VE	\$20,597
Holden Commodore VE Omega Sedan	\$17,750
Holden Commodore VE Omega Sedan – Dual LPG	\$18,022
Holden Commodore VE Omega Wagon	POA
Holden Commodore VE Berlina Sedan	\$18,859
Holden Commodore VE Berlina Wagon	POA
Mitsubishi 380 ES Sedan	\$16,489
Mitsubishi 380 ES Sedan – Dual LPG	\$16,338
Mitsubishi 380 SX Sedan	\$16,421
Mitsubishi 380 SX Sedan – Dual LPG	\$16,293

Ordinary Limit - \$20 597

**Note: All vehicles 6 cylinder version only**  
**No current VE Holden Wagon available**