

Sample policy: Use of employee-owned vehicles for work

Below is a sample policy to govern employees who use their own vehicles for work. Customize it or adjust the wording to fit your needs. Add relevant sections from Appendix Two.

[Insert date]

Purpose

This document sets out the terms and conditions associated with employee-owned vehicles used for work purposes. This policy applies to all [*company name*] employees using their own vehicles for work.

Employer responsibilities

The [*title or role of person responsible*] is responsible for implementing this policy. He/she will:

1. review the policy annually with drivers, supervisors and managers and make necessary improvements and updates.
2. track associated documents (such as signed procedures, copies of driver's abstracts and vehicle insurance, inspection and maintenance records, etc.).

Supervisors [*or insert other title or role*] are responsible to confirm employees and employee-owned vehicles satisfy the terms and conditions of this policy.

Before authorizing an employee to use their vehicle for work, the supervisor [*or insert other title*] will:

1. confirm the vehicle is properly registered and insured.
2. visually inspect the vehicle to verify it meets legal and company requirements (see Vehicle Selection Criteria in Appendix One).
3. confirm the employee has a valid driver's licence for the vehicle, and a clean driver's abstract.
4. confirm the employee has the necessary driving skills to safely operate their vehicle as required for work.
5. give the employee a copy of this policy, review it with them and get a copy with their signature.

Periodically *, the supervisor [*or insert other title / role*] will:

1. receive and check vehicle insurance, inspection and maintenance records.
2. verify (e.g. via ride-along assessment) the employee satisfies safe driving requirements.
3. do spot-checks to confirm the vehicle is being properly inspected and maintained.

* *periodically* means at regular intervals, annually or more often as warranted by circumstances

Employee responsibilities

Vehicle registration, licensing and insurance

The employee will:

1. have, maintain and renew insurance coverage that meets [*company name*] requirements (see Vehicle Licensing and Insurance in Appendix One) while the vehicle is used for work.
2. provide [*company name*] with a copy of the current insurance documents before using the vehicle for work and when the policy is renewed or changed.
3. immediately tell their supervisor of any changed circumstances (for example, if their licence is suspended, their vehicle is not available for work or they get a new or different vehicle for work use).

Vehicle inspection and maintenance

The employee will:

1. inspect the vehicle daily according to steps described in the [*company inspection procedure*].
2. record vehicle inspections using the [*company inspection form*] and provide completed logs to their supervisor on request, and at least monthly.
3. ensure the vehicle is maintained consistent with manufacturer recommendations (as described in the vehicle owner's manual) using a licensed mechanic where appropriate.
4. provide inspection and maintenance records to their supervisor on request and quarterly.

General requirements

The employee will:

1. operate the vehicle in accordance with the *Highway Traffic Act (HTA)* and or the *Occupational Health and Safety Act* and or the *Canada Labour Code* and or the *Workers Safety Insurance Act* and all relevant regulations and driving laws.
2. cooperate with [*company name*] supervisors and managers during spot-checks and to coordinate driver evaluations, and participate in appropriate training or instruction.
3. know and follow [*company name*] safe driving procedures, as further explained in [*list the company's applicable safe driving procedures such as for journey management, driving alone, check-in procedures, distracted driving practices, emergency kit and first aid supplies, etc.*].

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Sign-off

Note: Rather than the sign-off section below, you might choose to indicate when the policy was implemented and/or reviewed and updated.

I have read and understand the terms and conditions of this policy and agree to comply with them.

Employee signature

Date

Supervisor or manager signature
on behalf of [company name]

Date

Provided By



APPENDIX ONE

Vehicle Selection Criteria

Employee-owned vehicles used for [company name] work must meet the following criteria.

The vehicle:

1. must be suitably designed, configured and equipped for its intended use.
2. must satisfy requirements of the *Highway Traffic Act* and other applicable statutes.
3. must be in sound mechanical condition. For vehicles more than five years old, [company name] may require the employee to provide a thorough inspection report from a licensed mechanic.
4. must be equipped with an anti-lock braking system, electronic stability control and [add other safety features the company requires].
5. must not have features or modifications that negatively influence vehicle handling dynamics or safety (lift kits, after-market bumpers, non-standard wheels or tires, etc.), driver visibility (dark window tints, stickers on windows) or compromise the company image (paint scheme or graphics).
6. should not be more than 10 years old or have more than 300,000 km of mileage. The [title of person responsible for policy] will consider the nature and extent of intended vehicle use and may approve vehicles that do not meet these criteria.

Vehicle Licensing and Insurance

Before using their vehicle for work, each employee will properly register, license and insure their vehicle, including:

1. third-party liability insurance coverage of at least \$2 million, plus collision and comprehensive coverage with deductibles of not more than \$1,000.00.
Note: this is an example; each employer should consult their insurance broker to determine appropriate coverage amounts and deductibles for employees that use their vehicle for work.
2. correct rate class coverage. For example, your Insurance Company will determine based on vehicle usage and purpose the classification of insurance type i.e. personal or commercial.

APPENDIX TWO - Additional sections you may want to add to your use of employee-owned vehicles policy

Definitions

- **Employee-owned vehicle** - a vehicle that is owned or leased by the employee (i.e. their name is on the vehicle registration / insurance) or a vehicle that an employee rents, borrows or for which they otherwise have "ownership" accountabilities, and uses for work purposes.
- **Work purposes** - using a vehicle for any function or activity that is part of carrying out work, including uses such as delivering a load of tomatoes, parcels or students, or driving between job sites, to the store for supplies, from one's office to a client's location, between communities to meet with patients, and a wide variety of others. It typically does not include commuting from one's home to their primary work location.

Incident reporting and investigations

If involved in a motor vehicle incident, employees will cooperate to help [company name] meet its obligations, and to take steps to prevent future occurrences. The employee will:

1. immediately report crashes and near misses to their supervisor.
2. complete the [company incident reporting form] and submit it to their supervisor.
3. cooperate with their supervisor to complete necessary reports (e.g. report to WSIB if the crash results in injuries to any person, reports to company management).
4. be willing to participate in the incident investigation, and work with the investigation team to facilitate the investigation, report and corrective measures.

Operating expenses and reimbursement

All purchase, insurance and licensing, operating, maintenance and repair costs associated with using their vehicle for work are the responsibility of the employee / vehicle owner.

The employee will submit expense claims consistent with consistent with [company name] expense reporting requirements and procedures.

[company name] will reimburse the vehicle owner for work-related use at a rate of _____ per km for normal highway use, and _____ per km for off-road use circumstances [company name] will reimburse the owner for parking costs associated with work-related vehicle use.

Provided By

