

# Policy: Vehicles

## Purpose

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This document sets out the overall principles for the purchase / sale / management of motor vehicles on behalf of NSW Trustee & Guardian customers.

## Purchase of Vehicles

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NSW Trustee & Guardian are approached by customers from time to time to purchase vehicles from their funds. The purchase of a vehicle may use a substantial part of a customer's funds, particularly if the vehicle requires modifications to accommodate the customer's disabilities. Any purchase may impact on the future expenditure for the customers.

This document outlines the process for the purchase of vehicles for financially managed customers, trust customers and infant beneficiaries.

## Insurance of Vehicles

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NSW Trustee & Guardian cannot apply for **insurance coverage on behalf of a customer** for insurances to a vehicle, boat or caravan. This is because insurance companies need to be aware of a customer's/beneficiaries' personal history, such as previous claims, demerit points, criminal records, and other factors based on individual circumstances. In some circumstances, and often for financial reasons, a customer can cancel insurance on vehicles, unbeknown to NSW Trustee & Guardian; with NSW Trustee & Guardian having no recourse to protect the customer's or beneficiary's interests as the customer's financial manager or trustee.

## Repairs & Maintenance of Vehicles

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Vehicle repairs must be managed appropriately to ensure customer assets are maintained in a cost-effective manner. Staff are expected to use reasonable judgement in making assessments.

Trustee Services carries responsibility for financially managed customers to approve funding for repairs and maintenance for customer owned or co-owned vehicles. The vehicle must be recorded in NSW Trustee & Guardian's customer management systems.

The decision making in relation to appropriateness of costs for repairs to customer vehicles needs to be consistently applied. Decisions must be documented.

This **does not** apply to decisions to compensate stakeholders, in relation to repairs to their own vehicles which are used to transport our customer. Stakeholders' requests for compensation for repairs to their own vehicle are to be considered as to reasonability and affordability. Approval can be given for this by a client service officer within delegation and discretion as part of a "vehicle allowance" paid to a key contact.

### Sale, Transfer or Disposal of Vehicles

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A request can be received for the sale of a motor vehicle, or it is determined that the motor vehicle is no longer required. A change in a customer's circumstances may give rise to the sale of a motor vehicle, e.g. if a customer loses their licence or is no longer mobile. In such circumstances, NSW Trustee & Guardian will obtain the views of the client and stakeholders. Motor vehicles are a wasting asset in a deceased estate and action to dispose should be taken immediately the estate is accepted for administration. Beneficiaries can be encouraged to take a transfer or dispose of the vehicle privately with the proceeds being included in the estate. Only in circumstances where these two alternatives are not feasible the NSW Trustee & Guardian disposes of the vehicle.

### Policy statement

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#### Purchase of Vehicles

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- NSW Trustee & Guardian can purchase vehicles for financially managed customers, trust customers and infant beneficiaries.
- The affordability and suitability of any purchase must take into account running costs, repairs and any license restrictions.
- The purchase must be of benefit to the customer. Reasonable need has to be demonstrated by the customer/guardian/carer.
- Approval must be obtained from NSW Trustee & Guardian prior to any purchase.

#### Insurance of Vehicles

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- A vehicle, particularly motor vehicles, motorcycles, boats and caravans **cannot be purchased** on behalf of a customer or beneficiary without suitable insurance.
- Consideration must be given to the affordability and need for comprehensive insurance for all motor vehicles, motorcycles, caravans and boats.
- Vehicles must be insured for either comprehensive or Third-Party insurance. This cover can be for either agreed or market value, where applicable. **No vehicle, boat or caravan is to be purchased** if insurance cover is not available.
- Where it becomes known that a customer or beneficiary has cancelled insurance, staff must advise the customer/beneficiary, or their representatives of the potential risks associated with this cancellation. This must be done in writing.
- Where a **vehicle is not insurable, customer refuses to take out insurance or provide evidence or funds are unavailable**, the future of the vehicle is to be decided – i.e. retained or sold. A **Reason for Decision** must be completed and approved by **Senior Manager, Trustee Services**.
- If insurance for vehicles, boats or caravan is cancelled, or not put in place by the customer, NSW Trustee & Guardian will write to the customer or their representatives and **advise them of the risks of not having insurance**. The customer or representatives need to confirm insurance will be purchased or reinstated. If paid by the customer or representative, then copies must then be kept for record keeping.
- **If the customer or beneficiary fails to respond**, or refuses to provide evidence, NSW Trustee & Guardian reserves the right, as financial managers, Power of Attorney, Trustee or Executor, **to sell the vehicle**. This is to reduce the risk of a customer, trust or estate exposing themselves and third parties to financial loss in the event of an accident where the customer is responsible. A decision to sell the vehicle in these circumstances **must first be approved by the Senior Manager, Trustee Services** with a Reason for Decision completed.

### Repairs & Maintenance of Vehicles

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Vehicle repairs must be managed appropriately to ensure customer assets are maintained in a cost-effective manner.

### Sale, Transfer or Disposal of Vehicles

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Motor vehicles are a wasting asset and action to dispose of should be taken immediately the estate is accepted for administration or the customer no longer requires the vehicle.

#### Transfer

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NSW Trustee & Guardian is prepared to transfer a client vehicle subject to all the issued guidelines.

#### Sale

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NSW Trustee & Guardian can sell a vehicle on behalf of an estate or customer either privately, through a dealer or by auction.

NSW Trustee & Guardian is prepared to allow one or more of the beneficiaries to sell the vehicle privately by Agreement.

In all cases if there is any dispute as to the method of disposal or the value, then the NSW Trustee & Guardian will sell the vehicle.

For **financially managed customers**, if the car is not being sold via public auction, then the delegated officer must approve the private sale.

### Scope

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All Trustee Services Staff

### Document information

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<b>Title:</b>	Vehicle Policy
<b>Owner:</b>	Principal Property Officer
<b>Approver:</b>	Director Trustee Services
<b>Date of Effect:</b>	27 November 2019