

Department of Human Services

Vehicle Modification Subsidy Scheme Guidelines

Updated June 2010

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1. Introduction

The Vehicle Modification Subsidy Scheme (VMSS) was established in June 2008 as a new initiative within the Victorian Aids and Equipment Program (A&EP). The VMSS is a statewide service managed by Ballarat Health Services and will enhance the capacity of the A&EP to support people with a disability living in the community.

2. Victorian Aids and Equipment Program structure and function

The Commonwealth government established the Program of Aids for Disabled People (PADP) in 1981, the International Year of the Disabled. In 1987 the Commonwealth transferred funding and program administration responsibility for the PADP to the states and territories. Since the initial transfer, the PADP has expanded significantly and become the key platform for providing aids, equipment, vehicle and home modification services in Victoria. In June 2001, PADP changed its name to the Victorian Aids and Equipment Program (A&EP) to better reflect the target population.

3. Program overview

The Department of Human Services funds a range of aids and equipment programs to support people with disabilities and the frail aged to remain living in the community. The A&EP, which is currently funded through the Disability Services Division of the Department of Human Services, includes:

- the Aids and Equipment Program (A&EP)
- the Supported Accommodation Equipment Assistance Scheme (SAEAS).

The A&EP is a statewide equipment network that provides the platform for the broader supply of aids and equipment. The A&EP is administered through a number of public hospitals, extended care facilities and other agencies, which act as issuing centres. A list of all A&EP issuing centres can be found in the A&EP guidelines available at www.dhs.vic.gov.au/ds/aep.

3.1. What does the program provide?

The A&EP provides people who have a permanent or long-term disability with subsidised aids and equipment, and home and vehicle modifications to enhance independence in their home, facilitate community participation and support families and carers in their role.

A full list of items and the applicable subsidy level available for items is outlined in the A&EP guidelines.

3.2. Core principles of the scheme

The core principles specific to the VMSS are:

- facilitating independence, maximum community participation and access
- implementing the principles of the *State disability plan*
- ensuring modifications are appropriate and cost effective
- ensuring client choice while taking into consideration assessed need
- ensuring transparent and equitable subsidy allocation in a timely manner.

The core principles are in addition to the A&EP guidelines. They are not intended to override the A&EP guidelines, eligibility, waitlist or 'priority of access' criteria.

4. Service and delivery model

The VMSS will be provided as part of the A&EP. The A&EP guidelines will provide the overarching framework for allocating all vehicle modification subsidies.

Where necessary the A&EP guidelines will be revised to reflect the availability of vehicle modification subsidies. All applications for vehicle modifications will be assessed under the specific VMSS guidelines as well as the A&EP guidelines. Consistency and transparency in allocating the subsidies is a key consideration.

A single statewide issuing centre, run out of Ballarat Health Services, will provide a streamlined application and administration process across Victoria. It will enable specialist knowledge to be developed, and systems and processes around evaluation and approval of vehicle modification subsidies to evolve.

5. Eligibility

Eligibility for a vehicle modification subsidy is consistent with the broader A&EP guidelines. A person must either:

- be a permanent resident of Victoria
- hold a permanent Protection Visa – Resolution of Status (RoS) (subclass 851), or
- be an asylum seeker (may also be Protection Visa applicants).

Note: refugees are initially asylum seekers.

They must also:

- have a permanent or long-term disability or be frail aged
- require vehicle modifications from the available list in section 7, on a permanent or long-term basis.

Capacity exists to provide assistance to:

- people requiring vehicle modifications to drive their privately owned primary vehicle due to their disability
- people with a disability requiring modifications to travel as a passenger in their privately owned primary vehicle, including children and their families.

In accordance with A&EP guidelines, a person is not eligible if they are entitled to receive assistance from other government-funded aids and equipment programs, or if they are entitled to any form of compensation related to their disability. Some examples of people who may be ineligible include people who would be able to receive assistance from:

- the Transport Accident Commission (TAC)
- the Victorian Workcover Authority
- government-funded residential aged care facilities or an Extended Aged Care at Home (EACH) package
- Department of Veterans Affairs (as Gold Card holders)
- the federal Department of Education, Employment and Workplace Relations under the Workplace Modification Program (WMP)
- an existing insurance policy where a vehicle modification is available
- any other compensable claim that will cover the cost of a vehicle modification.

This list is not extensive; reference should be made to the A&EP guidelines.

5.1. Subsidy level

A maximum subsidy of up to \$10,000 may be provided to assist Victorians with a disability to purchase prescribed vehicle modifications to suit their individual needs. The subsidy is intended as a contribution towards the purchase cost of modifications and is not intended to meet the full cost of all vehicle modifications.

Subsidies are approved for clients on the basis that it is utilised for modifying one privately owned primary vehicle used for the clients transport. Capacity does not exist to provide subsidies for modifying multiple vehicles or for modifying vehicles owned by organisations.

Where the cost of the proposed vehicle modification will be in addition to the subsidy provided, a *Confirmation of the funding contribution form* will need to be completed and submitted with the standard VMSS application documentation (see Appendix 7).

The VMSS issuing centre must approve all applications for vehicle modifications prior to supply. It will not provide subsidies retrospectively.

6. Use of partial subsidy

Where a client only requires a portion of the maximum subsidy to meet their vehicle modification needs, further submissions for assistance may be made at a later date. A cumulative total of up to \$10,000 can be made over a seven-year period from the date of a client's first application. All subsequent applications will be subject to VMSS approval, as well as the waitlist and 'priority of access' criteria.

The seven-year subsidy timeline offers flexibility in the capacity of the scheme to meet clients changing needs throughout key life stages, and the average life expectancy of a vehicle.

6.1. Type and range of modifications

A variety of vehicle modifications are covered by the scheme including minor modifications such as hand controls, and major modifications such as hoists and ramps. Clients will be assisted by their prescribing occupational therapist (OT) or OT driver assessor to determine the most appropriate and safe modification, or combination of modifications, to best suit their needs.

Subsidies are available for:

- conversions of vehicles for wheelchair access
- minor modifications to wheelchairs that are essential for safe travel
- ramps secured to vehicles
- specialised lifters, carriers and trailers for wheelchairs
- modified driving controls
- specialised seats
- air conditioning for people with thermo-regulatory conditions
- oxygen cylinder restraint systems.

Subsidies are not available for:

- modifications that do not comply with relevant Australian Standards including the *Australian design rules* or VicRoads standards for registration (refer to VicRoads, Vehicle standards information sheet 8 *Guide to modifications to motor vehicles*)
- items of second-hand equipment (however, a subsidy may be applied to an already modified component of a second-hand modified vehicle)

- equipment already available under the A&EP criteria including portable ramps, child car seats and wheelchair harnesses
- items generally available for purchase including rear-vision cameras and rear parking sensors, global positioning system devices, mirrors, cruise control, window tinting and standard trailers
- vehicle transmission conversions
- vehicle running costs, statutory charges or insurance premiums
- the purchase price of new or second-hand vehicles
- modifications of vehicles owned by organisations.

7. Assessment and prescription

An assessment and prescription is required as part of the application process to ensure that a proposed vehicle modification is the most appropriate to meet a clients needs.

Prescription and assessment processes are in accordance with the broader A&EP guidelines.

- A medical practitioner is responsible for the initial certification to establish the diagnosis of a permanent or long-term disability (NB: People who have previously been assisted through the A&EP will not require another certification of disability by their medical practitioner).
- For all passenger vehicle modification applications, an assessment will be required to be completed by a prescribing OT.
- A VicRoads-accredited OT driver assessor will be required to assess clients requiring a driver-related vehicle modification.
- The A&EP does not fund the cost of conducting the assessment and prescription of the client's needs for the vehicle modification. It is the client's responsibility to organise and pay for the assessment and prescription.
- When conducting the assessment the prescribing OT/OT driver assessor should ensure the most appropriate and cost-effective vehicle modification is recommended to meet the client's need.
- A vehicle modification subsidy prescription form must be completed. The *VMSS prescription report form* will facilitate a level of consistency in the assessment and prescription process for prescribing OT/OT driver assessor and clients (see Appendix 5).
- All applications must be approved as eligible and prioritised for subsidy by the VMSS issuing centre. Availability of the subsidy must be confirmed by the VMSS issuing centre prior to a purchase being made by the client.

8. Application process

The process for applying for a VMSS subsidy is as follows:

- Step 1. Once it has been determined a client has a permanent or long-term disability, a prescribing OT/OT driver assessor will carry out an assessment on the client's needs for a vehicle modification.
- Step 2. During the assessment the prescribing OT/OT driver assessor will determine the clinical justification for the vehicle modification, the most suitable modification for the

client's needs, and their funding options. The prescribing OT/OT driver assessor will compile an application and send it to the VMSS issuing centre for review. The application is not limited to, but must include a current *A&EP application form* (see Appendix 10), a copy of the prescribing OT/OT driver assessor report, *VMSS prescription report form*, *Tripartite agreement* (see Appendix 6), vehicle modifier quote and plan, and a *Confirmation of funding contribution form* if necessary. Any other documentation requested by the VMSS issuing centre will also need to be provided. The VMSS issuing centre will send the client and prescribing OT/OT driver assessor written confirmation of receipt of application within 10 days of receiving the application.

- Step 3. The VMSS issuing centre will assess the application and determine whether the prescribing OT/OT driver assessor has provided adequate clinical justification for the type of modification required and the client's eligibility for a subsidy. Applications will be considered in line with the VMSS and A&EP waitlist and 'priority of access' criteria.
- Step 4. If budget availability has been exceeded due to a high demand of applications, the client and prescribing OT/OT driver assessor will receive written confirmation from the VMSS issuing centre that their application has been waitlisted.
- Step 5. When the subsidy becomes available the VMSS issuing centre will inform the client and prescribing OT/OT driver assessor that their application has been approved and place an order with the vehicle modifier for the vehicle modification. If necessary the VMSS issuing centre will inform the vehicle modifier of any remaining funding the client and/or third party will be paying towards the cost of the modification.
- Step 6. The vehicle modifier will carry out the vehicle modification as per the quotation provided, and the signed *Tripartite agreement*. If necessary they will obtain a Vehicle Assessment Signatory Scheme (VASS) approval certificate. Once the modification is complete the prescribing OT/OT driver assessor, client and vehicle modifier will confirm the modified vehicle has met the original quotation, and sign the *Certificate of completion* (see Appendix 9). The prescribing OT/OT driver assessor is responsible for sending the signed *Certificate of completion* to the VMSS issuing centre.
- Step 7. The vehicle modifier is responsible for providing the client with a VASS approval certificate where required, and sending an invoice for modifying the VMSS subsidy to the VMSS issuing centre. The client is responsible for ensuring the VASS approval certificate is lodged with VicRoads within 30 days of date of issue.
- Step 8. On receipt of the above documents the VMSS issuing centre will arrange payment of the invoice for the VMSS subsidy. If required the client and/or third party is responsible for arranging payment of the remaining contribution of funding to the vehicle modifier.

A detailed flow diagram of the driver application pathway can be found at Appendix 1.
A flow diagram of the passenger application pathway can be found at Appendix 2.

All applications will be managed subject to available funding, and in line with the waitlist and 'priority of access' criteria in the guidelines.

All forms should be sent to the following address for consideration:

Vehicle Modification Subsidy Scheme
Ballarat Health Services
102 Ascot Street South
Ballarat, Vic. 3350

9. Waitlist and priority of access

At certain times the VMSS may experience a high demand of applications for VMSS subsidies, and budget availability may be exceeded. If this occurs it may be necessary for the program to implement a waitlist.

10. Waitlist management

In the event that a waitlist is required to be implemented for the VMSS, applications will be processed in chronological order of receipt of completed applications. Consideration will be given in very limited exceptional circumstances for applications deemed urgent in accordance with the 'priority of access' criteria within the guidelines.

10.1. 'Priority of access'

'Priority of access' will be considered in accordance with existing A&EP guidelines and where one or more of the following criteria is met. The prescribing OT/OT driver assessor is responsible for submitting an application for 'priority of access' to the VMSS issuing centre.

Criteria:

- The provision of the vehicle modification is critical to the safety of the applicant and injury prevention to carers in daily living activities.
- The non-availability of a vehicle modification will lead to a deterioration of the applicants health or functioning abilities, which may result in premature admission to institutional care, hospitalisation or dependence on more costly services.
- The non-availability of a vehicle modification will place excessive demand on carers in caring for the person who has a disability or frail aged, and seriously jeopardise the current care/living arrangements.

11. Roles and responsibilities

11.1. Prescribing occupational therapist or VicRoads-accredited occupational therapist driver assessor

- assess the client's usual routine without a vehicle modification, identify issues, and consider and discuss options with the client
- establish that the client and/or their carer have the cognitive, physical and psychological ability to operate the vehicle modification safely and effectively
- discuss the vehicle running costs with the client as well as the ongoing equipment maintenance costs associated with the modified component (confirm the client's capacity to meet the ongoing costs)
- discuss funding options
- prepare the application and other relevant documentation in accordance with the VMSS guidelines and professional practice
- provide advice to the client about any additional assessments or information required to complete the application
- complete the *VMSS prescription report form*, including a recommendation and justification as to the most appropriate and cost-effective modification that will facilitate safe vehicle access and transport (this should include a quote from the recommended vehicle modifier that has been signed by the client)
- send the *VMSS prescription form*, *A&EP application form*, *Tripartite agreement* and vehicle modifier quote to the VMSS issuing centre
- be available to discuss the assessment report and recommendation with the VMSS issuing centre and provide further documentation where appropriate
- sign the *Certificate of completion* following inspection of the completed modification
- make sure the client and vehicle modifier have also signed the form and send to the

VMSS issuing centre

- ensure training is provided for the client and/or carer in the safe use of the modification.

12. Client

- if required, complete the *A&EP application form*, undertake any relevant prescribing OT/OT driver assessor assessments and provide specific information as requested
- comply with VicRoads and other relevant authorities around any approvals required for vehicle modifications
- sign the *Certificate of completion* once the vehicle modification has been satisfactorily carried out and forward it to the prescribing OT/OT driver assessor
- provide the VMSS issuing centre with a completed *Confirmation of funding contribution form* if required to facilitate payment to the vehicle modifier on satisfactory completion of the modification
- pay any costs associated with assessments conducted by professionals in completing the application
- contribute to any cost of a vehicle modification that is above the approved VMSS subsidy (payments should be made to the vehicle modifier once the *Certificate of completion* has been completed)
- if required lodge the VASS certificate with VicRoads within 30 days of the date of issue
- notify the car insurer and make arrangements for their policy to be updated to include the modification
- accept liability for ongoing maintenance relating to the modification including liaison with suppliers about any warranty provisions.

13. Vehicle modifier

- comply with VicRoads and other relevant authorities with regards to any approvals required for vehicle modifications
- confirm that the proposed modifications comply with VicRoads requirements and other relevant authority's requirements
- undertake modifications as per the quotation and *Tripartite agreement*
- provide the client with a copy of the Vehicle Assessment Signatory Scheme (VASS) approval certificate if necessary
- sign the *Certificate of completion* once the vehicle modification has been satisfactorily carried out and forward it to the prescribing OT/OT driver assessor
- on completion of the work, send the invoice to the VMSS issuing centre.

14. VMSS issuing centre

- act as a central point for VMSS-related information
- ensure the service is accessible to the eligible target group, prescribing occupational therapists and relevant stakeholders
- ensure timely processing of subsidy applications and payment of subsidies as per the relevant guidelines
- scrutinise the vehicle modification subsidy applications to ensure all relevant documentation has been submitted
- scrutinise applications to ensure the prescribing OT/OT driver assessor has provided sufficient justification for the proposed modification and its cost effectiveness
- where required, seek clarification from the client and/or the prescribing OT/OT driver assessor about the recommended modification
- seek appropriate professional advice to review applications where required, including convening the Vehicle Modification Advisory Panel (see section 18) if necessary

- ensure the proposed modification is within the guidelines
- provide ongoing communication to the client and prescribing OT/OT driver assessor regarding the status of the application and subsidy availability
- confirm that the *Certificate of completion* has been completed by the prescribing OT/OT driver assessor, vehicle modifier and client once the vehicle modification has been satisfactorily carried out, so that the payment to the vehicle modifier can be authorised
- ensure all applicable documentation has been received
- manage the budget in line with the guidelines, the waitlist and 'priority of access' criteria
- convene meetings of the Vehicle Modification Advisory Panel and other key stakeholder groups as required.

14.1. Individual choice

Individuals will be able to choose their preferred vehicle modifier with guidance provided by a prescribing OT/OT driver assessor. A recommendation will be made regarding the most appropriate, safest and cost-effective modifications required to meet an individual's needs.

15. Repairs and maintenance

On completion of a vehicle modification, and payment of the agreed subsidy by the VMSS issuing centre, the client assumes ownership of the modification. The client is responsible for ongoing maintenance or repairs relating to the modification including liaison with suppliers about any warranty provisions.

16. Age of vehicles

In recognition of the average life expectancy of a vehicle, the subsidy can only be applied to clients whose vehicles are less than 10 years old, and with less than 160,000 kilometres on the odometer. Exceptional circumstance applications for clients with vehicles older than 10 years may be considered by the Vehicle Modification Advisory Panel.

17. VicRoads

All vehicle modifications must comply with all applicable standards for registration including *Australian design rules* and relevant Australian Standards, or obtain conditional registration from VicRoads. Clients should refer to the VicRoads Vehicle Standards Information Sheet 8 (VSI 8) and the *Guide to modifications for motor vehicles* for information on VicRoads requirements relating to modifications. For further information visit the [VicRoads website](http://www.vicroads.vic.gov.au) at www.vicroads.vic.gov.au or phone 1300 360 745.

18. Insurance

The VMSS does not provide insurance for vehicles or the vehicle modification. As per the A&EP guidelines it is recommended that the vehicle owner has appropriate insurance coverage for their vehicle to include the vehicle modification. Clients are responsible for notifying their insurer of any modifications made to their vehicle.

19. Modified components of an already modified second-hand vehicle

If it has been determined during the assessment phase that the client's privately owned primary vehicle is unable to be satisfactorily modified to meet the client's functional needs, a decision may be made to source an already modified second-hand vehicle.

A subsidy may be approved towards the depreciated value of any disability-specific modified component of an already modified vehicle. A vehicle modification subsidy is not intended as a contribution towards the purchase of a second-hand vehicle.

A VMSS subsidy towards the modified component of an already modified second-hand vehicle may be provided where the following conditions are met:

- the seller is a licensed motor car trader (LMCT)
- a current certificate of roadworthiness is provided
- warranty for the modified component is incorporated
- the vehicle is less than 10 years old with less than 160,000 kilometres on the odometer.

20. Subsidy level for already modified second-hand vehicles

The VMSS subsidy will be based on the original cost of the modified component, less depreciation for age. A *Depreciated value of a modified component for a second hand already modified vehicle form* will need to be completed by the original vehicle modifier/LMCT (see Appendix 8). The modifier/LMCT must provide the date the vehicle was first registered, the age of the modification and confirmation that the modified component being considered is in reasonable condition and still compliant with VicRoads registration requirements.

The depreciation schedule was developed in collaboration with the automotive industry. The original cost of the modified component is depreciated against the average life expectancy of the modified component. The subsidy amount will be calculated in accordance with the *Depreciation schedule* in Appendix 4.

20.1. 'Approval in principle'

- An 'approval in principle' status may be granted under the VMSS for people who wish to purchase an already modified second-hand vehicle. The 'approval in principle' process is designed to overcome retrospectivity issues by providing clients with the time to find a suitable already modified second-hand vehicle once their subsidy has been confirmed.
- Clients will follow steps 1–3 in the application process; however, clients and their prescribing OT/OT driver assessor must state in their application that they are seeking 'approval in principle' by completing the application for 'approval in principle' section of the *VMSS prescription report form*. The *Tripartite agreement* and actual vehicle details can be included at a later date once an appropriate second-hand modified vehicle has been identified.
- When the VMSS issuing centre knows the timeframe for the subsidy availability it will notify the client and the prescribing OT/OT driver assessor. At this point 'approval in principle' will be granted. The VMSS subsidy will be held for a period of four weeks to enable the client to identify an appropriately modified second-hand vehicle for purchase and submit the necessary documentation.
- Once a suitable second-hand modified vehicle is identified for purchase, the prescribing OT/OT driver assessor will be required to submit the final documentation to the VMSS issuing centre. Documentation includes the prescribing OT/OT driver assessor's report that the second-hand modified component will meet the client's needs, the completed *Depreciated value of a modified component for a second hand already modified vehicle*

form and the signed *Tripartite agreement*. Any other documentation requested by the VMSS issuing centre will also need to be provided.

- Where necessary, clients may apply to the VMSS issuing centre for a further two-week extension only. Failure to submit documentation within the approved time frame will result in the application reverting to a waitlist and the subsidy being redirected to the next applicant waiting for funding.
- On receipt of the documentation from the prescribing OT/OT driver assessor, the VMSS issuing centre will assess the application and determine if the recommended subsidy is appropriate for allocation.
- The VMSS issuing centre will provide written confirmation to the client and prescribing OT/OT driver assessor of the available subsidy, and a purchase order for the subsidy will be forwarded to the LMCT/vehicle modifier.
- Steps 6–8 in the application process continue.

All applications will be managed subject to available funding, and in line with the waitlist and 'priority of access' criteria in the guidelines.

A detailed flow diagram of the 'approval in principle' application pathway can be found in Appendix 3.

21. Vehicle Modification Advisory Panel

A Vehicle Modification Advisory Panel (VMAP) comprises of up to 10 members and provides advice about the interpretation of the VMSS guidelines. The VMAP members will convene quarterly to provide advice on the eligibility and appropriateness of modifications recommended in exceptional circumstance applications, consider waitlist and 'priority of access' applications and also provide advice to the Department of Human Services and the VMSS issuing centre as required.

A minimum of three panel members, including a representative from both the Department of Human Services and Ballarat Health Services, are required to form a quorum for the panel.

The VMAP will comprise of members from:

- disability and community services organisations (five members)
- people with a disability (two members)
- Ballarat Health Services issuing centre staff (one member)
- VicRoads (one member)
- Department of Human Services (one member).

The VMAP will provide advice around applications under exceptional circumstances and in the review of decisions as necessary. Advice shall be provided in the context of the guidelines. Specialist advice may be sought or experts may be seconded as required to assist in the decision-making process.

The VMAP may also be able to make suggestions for proposed changes to the VMSS.

The VMSS issuing centre will be responsible for convening the panel as required.

Appendix 1: Driver application pathway

Medical condition identified
client referred to VicRoads medical review team
VicRoads medical review team determines driver's ability to drive

Ineligible
Discuss alternative funding options with the client

Referral to VicRoads-accredited occupational therapist (OT) driver assessor

assessment undertaken
clinical justification for vehicle modification determined
vehicle determined suitable for modification
subsidy options explored and VMSS eligibility established

Eligible
Seek advice from the VMSS issuing centre regarding eligibility and VMSS guidelines where necessary

OT driver assessor and client collate VMSS application
A&EP application form completed (where applicable)
copy of VicRoads-accredited OT driver assessor's report completed
VMSS prescription report form completed
Tripartite agreement completed
vehicle modifier quote completed
vehicle modifier ascertains VASS certification requirements from VicRoads
vehicle modifier ensures compliance with Australian Design Rules (ADRs), Australian Standards and VicRoads Vehicle Standards Information (VSI 8)
client completes *Confirmation of the funding contribution form* where necessary
completed application sent to the VMSS issuing centre by OT driver assessor

Non compliance with Vehicle Standards (Section 8)
Conditional registration from VicRoads Vehicle Standards Manager granted

Additional information required
VMSS issuing centre liaises with OT driver assessor and client for additional paperwork where necessary

Application checked and status determined by VMSS issuing centre

check all relevant documentation is included
client eligibility confirmed
confirm modification requested and clinical justification is in line with guidelines
acknowledgement letter sent to client and OT driver assessor confirming eligibility and status of application
application prioritised in line with 'priority of access' criteria

Clarification of application eligibility
VMSS issuing centre convenes Vehicle Modification Advisory Panel where necessary to consider exceptional circumstance applications

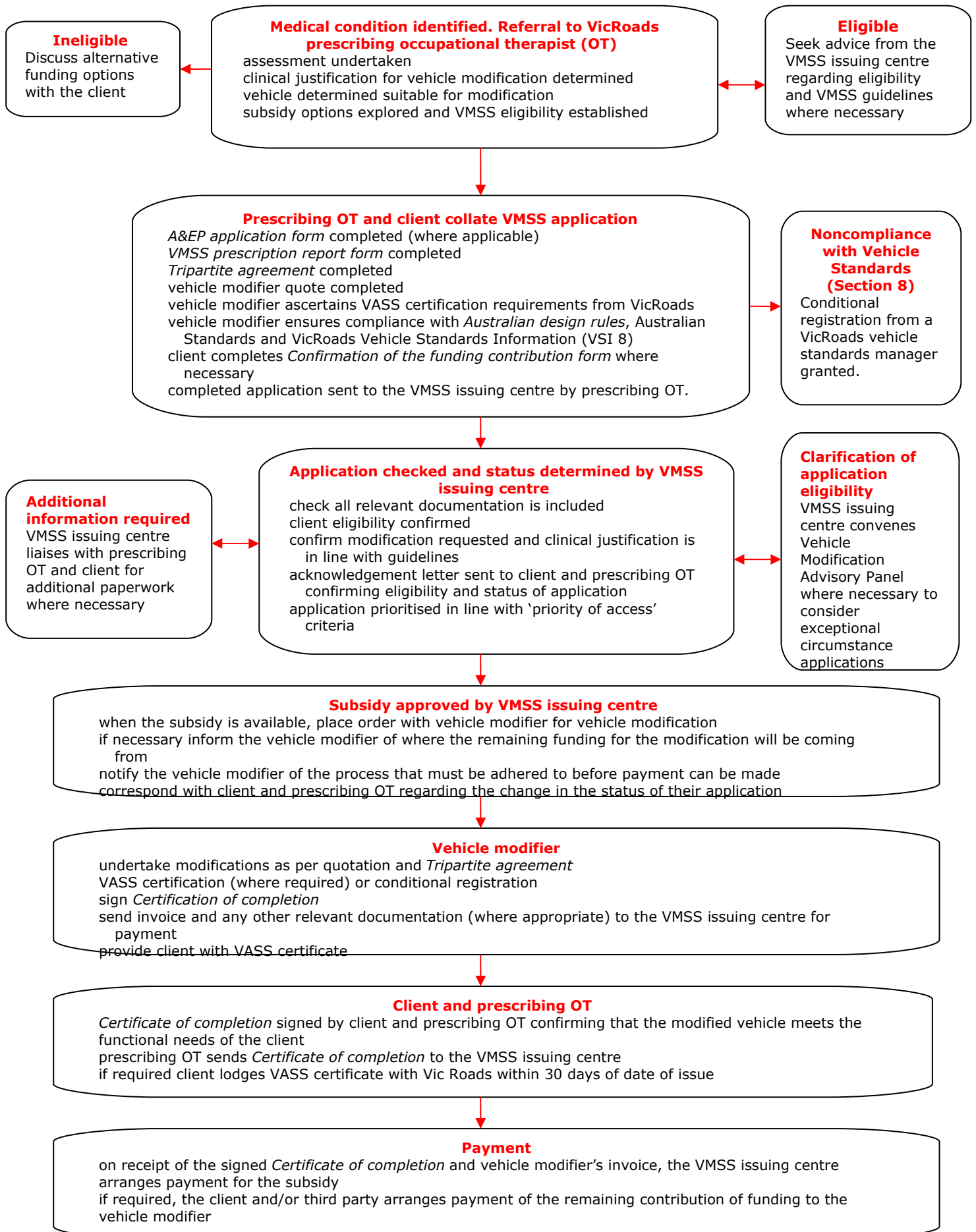
Subsidy approved by VMSS issuing centre
when the subsidy is available, place order with vehicle modifier for vehicle modification
if necessary inform the vehicle modifier of where the remaining funding for the modification will be coming from
notify the vehicle modifier of the process that must be adhered to before payment can be made
correspond with client and OT driver assessor regarding the change in the status of their application

Vehicle modifier
undertake modifications as per quotation and *Tripartite agreement*
VASS certification (where required) or conditional registration
sign *Certificate of completion*
send invoice and any other relevant documentation (where appropriate) to the VMSS issuing centre for payment
provide client with VASS certificate

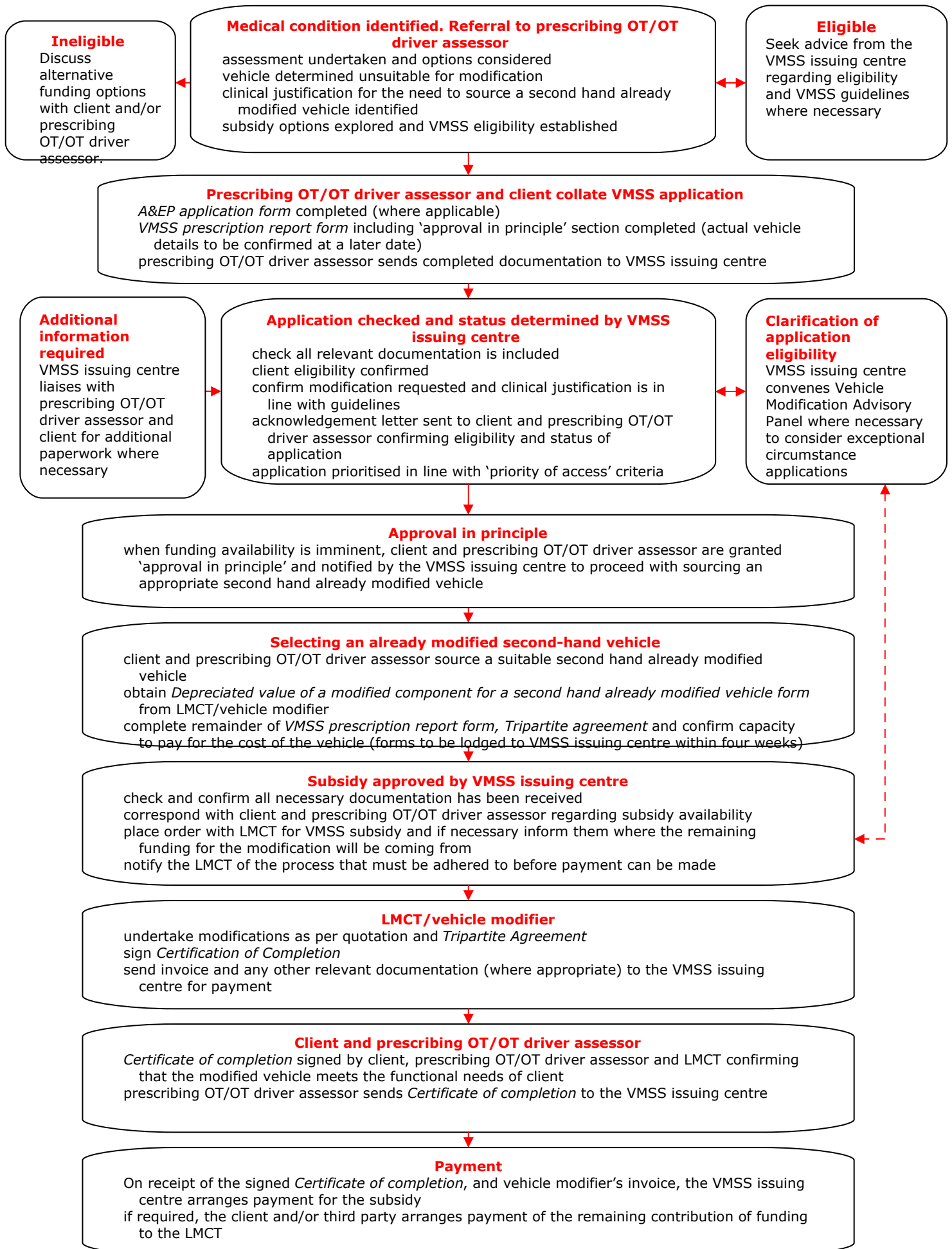
Client and OT driver assessor
Certificate of completion signed by client, OT driver assessor and VicRoads (where necessary) confirming that the modified vehicle meets the functional needs of the client
OT driver assessor sends *Certificate of Completion* to the VMSS issuing centre
if required client lodges VASS certificate with Vic Roads within 30 days of date of issue

Payment
On receipt of the signed *Certificate of completion* and vehicle modifier's invoice, the VMSS issuing centre arranges payment for the subsidy
if required, the client and/or third party arranges payment of the remaining contribution of funding to the vehicle modifier

Appendix 2: Passenger application pathway



Appendix 3: 'Approval in principle' application pathway



Appendix 4: Depreciation schedule examples

Major structural modification

Lowered-floor conversion
Wheelchair rear- or side-mounted hoist
Air conditioning

Declining balance depreciation schedule against age of modification

Example: Based on a rear-entry conversion to facilitate wheelchair access (major structural modification) fitted in 2008 valued at \$30,000 when built, the depreciated value of the modification in 2010 would be \$24,300.

To calculate the depreciated value of a major structural modification it has been agreed to use a 10 per cent depreciation rate per year. The 10 per cent depreciation is based on the year the modification was initially fitted and is always calculated using the modifications immediate previous year's value.

The following table provides a 10-year depreciation schedule as an example based on a structural modification of \$30,000.

Age of modification	Year	Value at beginning of year	Depreciation expense	Accumulated depreciation	Value at end of year
0-12 months	2009	\$30,000.00	\$3,000.00	\$3,000.00	\$27,000.00
1-2 years	2010	\$27,000.00	\$2,700.00	\$5,700.00	\$24,300.00
2-3 years	2011	\$24,300.00	\$2,430.00	\$8,130.00	\$21,870.00
3-4 years	2012	\$21,870.00	\$2,187.00	\$10,317.00	\$19,683.00
4-5 years	2013	\$19,683.00	\$1,968.30	\$12,285.30	\$17,714.70
5-6 years	2014	\$17,714.70	\$1,771.47	\$14,056.77	\$15,943.23
6-7 years	2015	\$15,943.23	\$1,594.32	\$15,651.09	\$14,348.91
7-8 years	2016	\$14,348.91	\$1,434.89	\$17,085.98	\$12,914.02
8-9 years	2017	\$12,914.02	\$1,291.40	\$18,377.39	\$11,622.61
9-10 years	2018	\$11,622.61	\$1,162.26	\$19,539.65	\$10,460.35

Notes: The VMSS issuing centre will calculate the declining balance depreciation. This table is for your information only.

A VMSS subsidy towards a modified component of an already modified second-hand vehicle may only be granted for vehicles less than 10 years old and with less than 160,000 kilometres on the odometer.

Other modifications

Platform hoist, driver – hand control modification, accelerator modification, sling lift, boot crane, seating modification, roof-mounted hoist, wheelchair restraint system, wheelchair/scooter trailer

Straight line depreciation per annum against age of modification

Example: Based on a platform hoist fitted in 2005 valued at \$14,000 at time of installation, the depreciated value of the modification in 2010 would be \$7,700.

To calculate the depreciated value of other modifications the following formulas need to be used.

Step 1: Calculate the annual depreciation value

Annual depreciation value = $\frac{\text{original cost of modification} - \text{agreed residual value}}{\text{modification life value}}$

Annual depreciation value = the amount the modification depreciates per year

Original cost of modification = the dollar value of the modification when originally installed

Agreed residual value = 10 per cent of the original modification value (this will always be 10 per cent)

Modification life value = 10 years (this will always be 10 years)

$$\begin{aligned} \text{Annual depreciation value} &= \frac{14,000 - 1400}{10} \\ &= \$1260.00 \end{aligned}$$

Step 2: Calculate the depreciated modification value

Depreciated modification value = cost of the original modification – (annual depreciation value x age of the modification)

$$\begin{aligned} \text{Depreciated modification value} &= 14,000 - (1260 \times 5) \\ &= \$7,700.00 \end{aligned}$$

The following table provides a 10-year depreciation schedule as an example based on other modifications of \$14,000.

Age of modification	Year	Value at beginning of year	Depreciation expense	Accumulated depreciation	Value at end of year
0–12 months	2006	\$14,000.00	\$1,260.00	\$1,260.00	\$12,740.00
1–2 years	2007	\$12,740.00	\$1,260.00	\$2,520.00	\$11,480.00
2–3 years	2008	\$11,480.00	\$1,260.00	\$3,780.00	\$10,220.00
3–4 years	2009	\$10,220.00	\$1,260.00	\$5,040.00	\$8,960.00
4–5 years	2010	\$8,960.00	\$1,260.00	\$6,300.00	\$7,700.00
5–6 years	2011	\$7,700.00	\$1,260.00	\$7,560.00	\$6,440.00
6–7 years	2012	\$6,440.00	\$1,260.00	\$8,820.00	\$5,180.00
7–8 years	2013	\$5,180.00	\$1,260.00	\$10,080.00	\$3,920.00
8–9 years	2014	\$3,920.00	\$1,260.00	\$11,340.00	\$2,660.00
9–10 years	2015	\$2,660.00	\$1,260.00	\$12,600.00	\$1,400.00

Notes: The VMSS issuing centre will calculate the straight line depreciation per annum. This table is for your information only.

A VMSS subsidy towards a modified component of an already modified second-hand vehicle may only be granted for vehicles less than 10 years old and with less than 160,000 kilometres on the odometer.