

**WESKUS DISTRIKSMUNISIPALITEIT  
WEST COAST DISTRICT MUNICIPALITY**



**TRANSPORT ALLOWANCE SCHEME**

**POLICY CONTROL SHEET**

<b>POLICY TITLE</b>	: Transport Allowance Scheme
<b>POLICY CUSTODIAN</b>	: West Coast District Municipality
<b>POLICY AUTHOR</b>	: H Brand
<b>LLF CONSULTATION DATE</b>	:
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<b>COUNCIL APPROVAL REFERENCE</b>	: <b>ITEM 16/12/07/9.2.1.4</b>
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<b>POLICY REVIEW DATE</b>	:

## 1. SCOPE OF THE REVISED TRANSPORT ALLOWANCE SCHEME

The Revised Transport Allowance Scheme will apply to all employees appointed on a permanent and/or fixed term contract for a period of three (3) months or longer at the West Coast District Municipality (WCDM) on post levels T14 to T18 and higher (excluding the Municipal Manager and Senior Managers reporting directly to the Municipal Manager), who by nature of their duties are involved on functional and managerial levels and who are compelled to utilize their private vehicles in the completion of their official duties on a regular basis.

## 2. AIM OF THE REVISED TRANSPORT ALLOWANCE SCHEME

The Revised Transport Allowance Scheme is implemented for employees on post levels T14 to T18 and higher (excluding participants on the Transport Allowance Scheme for Essential Users) whose duties necessitate the use of a vehicle for the proper performance of their functions, exercise of their powers and discharge of their duties and where such employees provide a **private vehicle** for use in connection with their official duties.

## 3. DEFINITIONS

For the purpose of this policy -

3.1 **“Council”** shall mean the Council of the West Coast District Municipality (WCDM).

3.2 **“Employees”** shall mean persons appointed on a permanent and/or fixed term contract for a period of three (3) months or longer at the West Coast District Municipality (WCDM) on post levels T14 to T18 and higher.

3.3 **“Emergency Operational Activities”** shall mean activities that require

response to a situation that poses an immediate risk to health, life, property or the environment and which require urgent intervention to prevent a worsening of the situation.

- 3.4 **“Fixed Transport Allowance”** shall mean an allowance paid to an employee on post levels T14 to T18 and higher in respect of travelling expenses for official purposes to finance transport and as reimbursement to an employee based on actual official travel.
- 3.5 **“Fringe Benefit”** shall mean an incidental benefit awarded for certain types of employment provided by an employer to supplement an employee's regular pay.
- 3.6 **“Municipal Manager”** shall mean a person appointed by the Municipal Council as the Municipal Manager for the municipality in terms of Section 54A of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).
- 3.7 **“Official Emergency Vehicle”** shall mean any official vehicle registered in the name of the West Coast District Municipality (WCDM) that is designated and authorized to respond to an emergency and are fitted with audible and visual warning devices, which are designed to facilitate their movement through traffic to reach their destination, inclusive of the Fire Services Incident Command Vehicle.
- 3.8 **“Official Journeys”** shall mean the attendance of meetings, seminars, congresses, workshops, training courses or any other event that an employee attends in his/her official capacity for which prior approval has been obtained.
- 3.9 **“Post Levels”** shall mean the T.A.S.K. grading allocated to a post based on the Skills, Knowledge, Pressure and Complexity associated with the post.
- 3.10 **“Reimbursement of Actual Official Travel”** shall mean an amount in addition to the fixed travel allowance paid to an employee based on the actual distance

travelled for business purposes per calendar month, calculated at the running cost rate determined by the Department of Transport as published from time to time.

3.11 **“Senior Managers directly reporting to the Municipal Manager”** shall mean all appointees in terms of Section 56 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).

3.12 **“T.A.S.K.”** shall mean the Tuned Assessment of Skills and Knowledge recognized job evaluation system within the local government sector.

#### **4. PURPOSE OF THE REVISED TRANSPORT ALLOWANCE SCHEME**

4.1 To provide guidelines and criteria to regulate the allocation of a fixed transport allowance and reimbursement of actual official travel for employees who qualify for participation in the Revised Transport Allowance Scheme.

4.2 To attract and retain competent employees by providing them with fringe benefits in addition to the cash component of their remuneration.

4.3 To provide employees on post levels T14 to T18 and higher with the necessary resources in order for them to execute their responsibilities with a privately owned vehicle.

4.4 To ensure that whilst allowing fringe benefits to qualifying employees, compliance with statutory requirements is upheld at all times.

#### **5. GUIDING PRINCIPLES**

5.1 An employee who receives a fixed transport allowance must have a private vehicle available for the execution of official duties at all times.

- 5.2 No official transport will be made available to employees who receive a fixed transport allowance for the execution of their official duties, except where required for emergency operational activities.
- 5.3 Employees who receive a fixed transport allowance are responsible for the full cost of maintenance, insurance, licensing and registration of their private vehicles.
- 5.4 The choice and type of the vehicle to be used by an employee who receives a fixed transport allowance should comply with the purpose and requirements for the execution of the employee's official duties.
- 5.5 In order to qualify for a fixed transport allowance, employees should be in possession of a valid driver's license.
- 5.6 Employees with physical disabilities who cannot qualify for a valid driver's licence in terms of the National Road Traffic Act, 1996 (Act No 93 of 1996) will qualify for a fixed transport allowance, subject thereto that they utilize a private vehicle and driver for purposes of official journeys and on condition that the West Coast District Municipality (WCDM) is indemnified from any claims that might result from this arrangement.
- 5.7 An employee who receives a fixed transport allowance (excluding employees responding to emergency operational activities) will only be allowed to travel as a passenger with official transport of the West Coast District Municipality (WCDM), should circumstances deemed it necessary that an employee who is not incumbent to a fixed transport allowance has to travel to the same event and location with an official vehicle.
- 5.8 In the event where more than one employee who receives a fixed transport allowance have to attend the same meeting, seminar, congress, workshop, training course or any other event that the employees have to attend in their

official capacity for which prior written approval has been obtained, such employees may not travel together with an official pool vehicle. However, employees from the Roads Agency functions will be allowed to travel together with other employees in an official pool vehicle.

5.9 An employee who receives a fixed transport allowance and who is requested by written instruction by the Municipal Manager or his/her superior to be available for the performance of standby duty outside his/her normal working hours will not be allowed to travel with an official emergency vehicle between his/her residence and place of work, and such employees will only be allowed to claim for kilometers travelled when called out to attend to emergency work.

5.10 An employee who receives a fixed transport allowance will not be allowed to claim for any official journeys undertaken within a 10 kilometer radius of his/her work centre.

## **6. FIXED TRANSPORT ALLOWANCE PER POST LEVEL**

6.1 Employees appointed on a permanent and/or fixed term contract for a period of three (3) months or longer at the West Coast District Municipality (WCDM) on post levels T14 to T18 and higher will be entitled to a fixed transport allowance; provided that such employees:

(a) Are newly appointed by the West Coast District Municipality (WCDM) with effect from date of approval of the Revised Transport Allowance Scheme.

(b) Are current employees who successfully apply for promotional posts on post levels T14 to T18 and higher with effect from date of approval of the Revised Transport Allowance Scheme.

6.2 The fixed transport allowance which will be payable together with the employee's salary on a monthly basis, is determined as herewith reflected:

<b>Post Level</b>	<b>Annual Fixed Transport Allowance</b>	<b>Monthly Fixed Transport Allowance</b>
T18 and higher		22.5% of pensionable salary
T17		22.5% of pensionable salary
T16		22.5% of pensionable salary
T15		22.5% of pensionable salary
T14		22.5% of pensionable salary

- 6.3 The fixed transport allowance will be capped on the percentage as reflected in paragraph 6.2.
- 6.4 The fixed transport allowance will be revised annually (the first revision will be with effect from 01 July 2017) on discretion by the Municipal Manager in consultation with the Executive Mayor together with the Director: Financial Services, subject to the financial viability of the West Coast District Municipality (WCDM) and based on affordability.
- 6.5 Any employee who receives a fixed transport allowance and whose geographical location may change in future as a result of appointment in a promotional post, will not be entitled to travel with official transport to his/her new work centre; such an employee will have to travel with his/her own private vehicle and will not be entitled to claim for kilometers between his/her residence and new work station.
- 6.6 Any employee who are newly appointed on a post level T14 to T18 and higher will be responsible to travel with his/her own private transport between his residence and place of work and will not be entitled to travel with existing or any other form of official transport between his residence and place of work, neither will he/she be entitled to claim for kilometers between his/her residence and place of work.

- 6.7 Employees who are in receipt of an existing fixed transport allowance which they enjoyed from their previous post and who are appointed to a promotional post that do not have a fixed transport allowance attached to it, shall retain their existing fixed transport allowance personal-to-incumbent.
- 6.8 Any fixed transport allowance in terms of this Revised Transport Allowance Scheme is, after deduction of any taxes as may be prescribed, payable monthly into the bank account of the employee concerned, together with the employee's salary.
- 6.9 Employee's tax as determined from time to time in terms of relevant legislation must be deducted from a participant's fixed transport allowance and paid over to the South African Revenue Service (SARS).
- 6.10 It will be an employee's own responsibility to keep regular log sheets acceptable to the South African Revenue Services (SARS) for business kilometers travelled and to submit such log sheets annually to the South African Revenue Services as part of their income tax return.
- 6.11 Employees remain entitled to and must be paid the full amount of their fixed monthly transport allowance during any period of absence on leave with full pay.
- 6.12 In the event that an employee who is entitled to a fixed transport allowance is not in possession of a valid driver's license and/or a privately owned vehicle, the fixed monthly transport allowance will be discontinued for the corresponding period until such time that these qualifying requirements are met, excluding disabled employees as referred to in paragraph 5.6.

## **7. REIMBURSEMENT OF ACTUAL OFFICIAL TRAVEL**

- 7.1 Employees who receive a fixed transport allowance may only claim for reimbursement of official distances travelled in a calendar month at the running



cost rate determined by the Department of Transport as published from time to time, in respect of approved journeys where they utilize their own private vehicle for official duties.

- 7.2 For the purposes of claiming official distances travelled in a calendar month, employees must keep a logbook/sheet acceptable to the South African Revenue Service (SARS) reflecting the official kilometers travelled per month which must be approved in writing by the Municipal Manager or a Senior Manager reporting directly to the Municipal Manager and submitted to the Department: Financial Services by no later than the 10<sup>th</sup> of the month following the month during which the official journeys were undertaken.
- 7.3 Prior approval for all official journeys undertaken, either inside or outside the boundaries of the West Coast District Municipality (WCDM), must at all times be obtained from the Municipal Manager or applicable Senior Manager reporting directly to the Municipal Manager and/or officials delegated by them who will evaluate the necessity of the journey, regardless of the post level of the employee involved, subject to the availability of funding on the annual budget.
- 7.4 All claims for official journeys shall be submitted together with travel claims to the Department: Financial Services by no later than the 10<sup>th</sup> of the month following the month during which the official journeys were undertaken.
- 7.5 No claims may be submitted for journeys between the employee's residence and place of work.

## **8. TRANSITIONAL ARRANGEMENTS**

With the implementation of the T.A.S.K. Final Outcomes Report employees who have evaluated on T.A.S.K. post level T13 will be contractual-to-incumbent to the following conditions, effective from the 1<sup>st</sup> of the month following the approval of the Revised Transport Allowance Policy by Council:

- 8.1 A fixed transport allowance which will be payable together with the employee's salary on a monthly basis.
- 8.2 Employees may claim all kilometers travelled for official journeys for which prior written approval has been obtained at the running cost rate determined by the Department of Transport as published from time to time, excluding journeys between employees' residence and place of work and official journeys undertaken within a 10 kilometer radius of his/her work station.
- 8.3 All other conditions of this Transport Allowance Scheme will apply *mutatis mutandis* on all employees to whom the transitional arrangements are applicable.

## **9. AMENDMENTS**

The Council may from time to time amend this Revised Transport Allowance Scheme on recommendation by the Municipal Manager and introduce any measure(s) to ensure efficient, economic and effective management of Council resources.

## **10. EFFECTIVE DATE**

This Revised Transport Allowance Scheme will become effective upon approval thereof by the Council of the West Coast District Municipality (WCDM).