

RICHTERSVELD MUNICIPALITY
HUMAN RESOURCE POLICIES

**10. TRANSPORT
ALLOWANCE**

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Approved Date: 30/06/2022	Council Resolution Nr: RVM007/06/2022
Effective Date: 01 July 2022	Review Date: 30 June 2023

Notwithstanding the review date herein, this policy shall remain effective until such time approved otherwise by council and may be reviewed on an earlier date if necessary.

Why have a policy?

The purpose of this policy is to create a uniform policy throughout the sector that is adequate for all employees who qualify for allowance throughout the sector with due regard to the already prevailing positions in some Municipalities.

THE POLICY

1. Preamble

The purpose of this policy is to create a uniform policy throughout the sector that is adequate for all employers and employees who qualify for a transport throughout the sector with due regard to the already prevailing positions in some companies.

The implementation of this policy shall always be guided by the position of the Richtersveld Municipality finance management act to ensure accountability and responsibility.

The policy shall be utilized as framework document that provides for minimum conditions in order to cater for the varying company positions in this regard.

2. Definitions

All terminology used in this policy shall bear the same meaning as in the applicable legislation.

3. Legal Framework

Finance Management Act- Act 56 of 2003

4. Scope and Application

Employees employed in terms of section 57 of the Company Systems Act are excluded from this policy.

5. Objectives of Policy

The policy shall be utilized as a framework document that provides for minimum conditions in order to cater for the varying company positions in this regard.

6. Policy Content

Senior employees at a managerial level who received a transport allowance prior to the introduction of this policy are eligible to receive a transport allowance as a fringe benefit in addition to their salaries.

Eligible employees will be paid in terms of a kilometer of 850 km.

Any claim in excess of 850 km will be remunerated to officially approved log sheets at running costs only as by the official Automobile tables upon submission of officially approved log sheets.

The formula for the calculation of the allowance will be as follows

(F+R) X Km

Where: **F**=fixed cost component read off 10 000 km column of AA (according to annual salary)

R=running cost to the AA table for a vehicle with an engine capacity of 2,5 liters.

Km=fixed kilometrage allocation according to allocation to different levels concerned.

6.1 Fixed Compensatory Transport Allowance

Employees who by nature of their duties are involved on a daily basis on both the functional and managerial levels as determined by council or employees who are compelled to utilize their private vehicles in the completion of their official duties on a regular basis are legible to receive a fixed transport allowance.

In order to provide a form of fringe benefit as well as to provide for actual distances traveled a fixed transport allowance will be coupled to these levels.

The fixed allocation for this category will be paid in terms of a kilometer allocation of **550km**.

Allowance payable will be calculated according to the fixed and running costs of the automobile Association tables according to the 10 000 km column of the fixed cost component taking into account the employees annual salary.

The formula for the calculation of the allowance will be as follows:

(F+R) X km

Where: **F** =fixed cost component read off 10 000 km column of AA tables (according to annual salary)

R=Running cost according to the AA table for a vehicle with an engine capacity of 2.5 liters.

Km=550km

Should there be employees on this level who submitted wish claim distances in excess of 550 km, officially approved log sheets must submitted

Ant employees on the level whose average monthly distances traveled are in excess of 550 km and who wish for a fixed coupling in this regard, may approach the Departmental head Directorate who will approve the maintenance of logs sheets

To provide financial discipline and administrative simplicity in this regard, kilometrage allocations must coupled according to the following intervals:

150 km-increasing at intervals of 50 km where after upon monthly submission of officially approved log sheets running costs will be paid

The procedure for the coupling of an allocation to a post will be as follows:

- The incumbent will maintain officially approved log sheets of actual distances traveled for a period of six months.

- Only distances traveled within the Metropolitan boundaries or to stakeholders' premises outside such boundaries in the execution of official duties will be taken into account, distances between works and home will be excluded.
- The Departmental Head of Directorate will send a motivated report along with the log sheets to the human resource division for investigation and recommendation, where after the General Manager: Human Resource will approve the coupling of the allocation to the post.
- As it is accepted that employees do not, as a result of vacations etc, always utilize their full allocations every month, the lower interval will be allocated to the post should the average of the log sheets submitted fall between two intervals.
- Should the departmental head directorate after the initial approval wish to increase the kilometrage allocations every month .the lower interval will be allocated to the post should the average of the log sheets submitted fall between two intervals.
- Should the departmental head of directorate after the initial approval wish increase the kilometrage allocations, the procedure above must once again be followed. This implies that the Departmental head directorate will not have the direction to increase allocations at will after the initial approval.
- It will be expected of employees in posts with allocations above 550km to one year after receiving the allowance, maintain log sheets for a minimum of three months annually as a control measure. Employees should send the log sheets to their departmental directorate to ensure that they are still entitled to the allocation. Control sheets should sent to the head: human resource who will approve the allocation. Should the kilometers be reduced, the human resource division in conjunction with the Department directorate will inform the employee of the reduction of the allocation after giving the employee one months written notice.
- The departmental head of directorate can at any stage terminate the transport allowance, after giving six months written notice, should he/she deem it no longer a necessity for the incumbent of the post to utilize his vehicle in the completion of his vehicle in the completion of his duties. During this period only fixed cost component of the allowance will be paid the General Manager human resource should then be informed.

6.2 Ad hoc allowance

If employees in posts not in receipt of permanent travel allowance

And in the absence of pool vehicles are requested and agreed to by the departmental head to use their private for local Authority businesses on an ad hoc basis are eligible to receive the following based on the table below:

A	B	C	D	E	F
ENGINE SWEPT VOLUME CM3	SEDAN STATIONWAGON	LIGHT DELIVERY VEHICLE	4X4LIGHT DELIVERY VEHICLE	MINI- BUS MPV	MOTOR CYCLE SCOOTER
TO 1250					84.8
Over 1250					113.0
Up to 1550	141.3	149.0			
1551-1750	155.4	163.6	184.8		
1751-1950	172.5	184.2	202.0	197.1	
1951-2150	190.5	208.2	227.5	237.4	
2151-2500	213.0	234.7	262.4	259.3	
2501-3500	233.3	261.5	325.4	305.7	
Over 3500	258.0	290.0	325.4	305.7	

The ad hoc scheme takes the following form:

- All ad hoc claims must be approved by an official on least the level of the Directorate Head or Departmental Head.

6.3 General

Employees in the receipt of permanent transport allowances shall at all times provide motor vehicles of suitable types and conditions as predefined and approved by all the overall heads of department concerned for the discharge of their duties.

Employees are to provide proof of availability of suitable vehicles on the request of management and Human resources.

Alternatively, the affected employees transport allowances must be stopped until such vehicle is available provided.

Employees must inform their employer immediately if they do not have a vehicle available.

In the event that it can be shown that the employee has received the transport allowance without having the requisite vehicle available the overpayment of the allowance for the identified non-qualifying period must be recovered from the employee's salary.

Further, they may face disciplinary action and incapacity proceedings relating to their non-compliance with this provision and inability to perform their duties due to them not having the requisite vehicle and where they continued to receive the allowance without complying with the above qualifying requirements they must be charged with fraud.

The local authority may terminate or vary transport allowance on the recommendation of the overall head of department concerned with the concurrent approval of the Transport allowance committee after consultation with the effected employee.

The transport allowance committee shall approve of any employees in receipt of permanent transport allowance, who are required to be transferred by the local Authority to other posts to which no transport allowances are attached, or whose duties change to the extent that their posts no longer justify transport allowances for the duration of outstanding fixed periods or paid or payments of their existing vehicle financing agreements for their current vehicles purchased in terms of the this scheme, or until the agreement or commitment is terminated for any reason whatsoever.

Affected employees may not renegotiate or reschedule the agreement in any way to have the affected of extending the agreements and commitments in terms thereof cause allowances to continue to be paid for a longer than they otherwise would have been.

If such agreements should terminate at an earlier time due to whatever reason the employees concerned must inform their management immediately and the transport allowance must be discontinued forthwith.

Employees without transport allowances and those in receipt and those in receipt of transport allowances in their current posts and who apply for and are appointed to new or promotional posts to which transport allowances are attached shall receive the new promotional post, and employees who are in receipt of existing transport allowances which they enjoyed from their previous post and who are appointed to promotional posts that do not have transport allowances attached to them shall have their existing transport allowance discontinued from the time that they take up the duties of the new promotional post.

6.4 Transitional Arrangements

An employee, who has received a transport allowance prior to the introduction of this policy, will continue to receive allowances in terms of until the end of the agreed term, where after he/she will be placed on the new arrangements in terms of this policy.

7. Implementation and Monitoring

This policy will be implemented and effective once recommended by the local labour forum and approved by council.

8. Communication

This policy will be communicated to all; company using full range of communication methods available to the company.

9. Policy review

This policy will be reviewed annually and revised as necessary.

10. Budget and resources

The financial and resource implications related to the implementation of this policy should be qualified and quantified.

11. Roles and Responsibilities

The company Manager or his or her delegate assignee accepts overall responsibility for the implementation and monitoring of the policy.

12. Penalties

Non- compliance to any of the stipulations contained in this policy will be regarded as misconduct, which dealt with terms of the disciplinary code.

13. Dispute Resolution

Any dispute that arises from this policy contained from this policy with in terms of the procedures as set out in the main collective agreement.

14. AUTHORITY

MM Approval:

A handwritten signature in black ink, appearing to be 'MM', is written over a large, loopy scribble. The signature is positioned to the right of the 'MM Approval:' text.

Date:

30/06/2022