



## **PERK MOTOR SCHEME POLICY**

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Date **30/06/2020**  
Approved:

Council DC E2/06/2020  
Resolution (DC  
No):

## 1. PURPOSE

To reimburse employees which use their own transport in order to fulfill his or her duties as an employee of Garden Route District Municipality District Municipality. With the view to fairness and equity to the employee within the capacity of Council.

## 2. DEFENITIONS

<b>Council</b>	means Garden Route District Municipality, represented by the Municipal Manager as Category 4 Local Authority with the salary scale of a Category 4 Local Authority.
<b>Enclosed area</b>	means the area within 10 kilometer radius of the work station of an employee.
<b>Employee</b>	means a person permanently appointed on the Organisational Structure of Garden Route District Municipality who receives remuneration in the form of a basic salary and other benefits and participates in the scheme; means the owner of the vehicle who is in possession of a valid driver's license and receives a vehicle allowance.
<b>Municipal Manager</b>	means the accounting officer and duly authorized to enter into an agreement,
<b>Official transport</b>	transport provided by Council.
<b>Scheme</b>	means the vehicle allowance scheme of Garden Route District Municipality for T-grades 14 and higher / personal-to-incumbent post levels 1 to 4 and T13PTI.
<b>Sub-Scheme A</b>	Rates are only inclusive of fuel.
<b>Sub-Scheme C</b>	Rates are only inclusive of maintenance.
<b>Vehicle</b>	means the type of transport utilized on a permanent basis for the execution of duties.

## 3. APPROVED

Mayoral Committee 347/04/13  
Council Resolution DC46/08/08  
Council Resolution DC E2/06/20

## 4. POLICY

#### 4.1 SCOPE OF APPLICATION

- 4.1.1 This policy on vehicle allowance scheme shall be observed by Garden Route District Municipality;
- 4.1.2 This policy will apply to ALL applicants who qualify for participation in accordance with the criteria of the scheme.

#### 4.2 CRITERIA FOR PARTICIPATION

ALL employees appointed on a permanent basis at Garden Route District Municipality on T-grades 14 and higher / personal-to-incumbent post levels 1 to 4 and T13 shall qualify for participation in the vehicle allowance scheme.

#### 4.3 CALCULATION OF ALLOWANCE

- 4.3.1 Council shall pay to participating employees in the scheme an allowance based upon the said criteria;
- 4.3.2 The allowance payable will consist of two components and calculated in accordance with council's resolution/policy:
- 4.3.2.1 Fixed cost and
- 4.3.2.2 Running cost
- 4.3.3 Garden Route District Municipality pays an employee a monthly vehicle allowance based upon distances travelled within the enclosed area without any proof of kilometers;
- 4.3.4 The level of the allowance for each post level in 4.3.3 shall be based upon the following table:

##### **TASK GRADES & PERSONAL-TO-INCUMBENT (PTI):**

<b><u>Task Grade</u></b>	<b><u>Kilometers</u></b>
T16 & higher includes post level 1PTI	850
T15 includes post level 2PTI	750
T14 includes post level 3PTI	650
T13PTI includes post level 4PTI	550

- 4.3.5 The fixed and running cost as per item 4.3.2 is based upon the annual salary of an employee (revised annually on the 1<sup>st</sup> of July):
- T16 and higher, will be 25% of the top notch of T16
  - T15 will be based on the top notch of T15 and 750 km's (27% of T15 top notch x 750km/850km)
  - T14 will be based on the top notch of T14 and 650 km's (29% of T14 top notch x 650km/850km)
  - PTI's and T13PTI will be based on the top notch of T13 and 550 km's (31% of T13 top notch)

- 4.3.6 Garden Route District Municipality pays an employee in addition only running costs for any official distances travelled outside the enclosed area on the Department of Transport tariffs based on the sum of sub-scheme A and sub-scheme C.
- 4.3.7 An employee must record distances travelled in 4.3.6.

#### **4.4 EXCLUSIONS**

- 4.4.1 Travelling from home to work station will not be calculated as official traveling;
- 4.4.2 The employee may not utilize official transport;
- 4.4.3 NO private vehicle shall be permitted in the municipal workshop and personnel of the municipal workshop may not work on private vehicles;
- 4.4.4 Claims must be submitted regularly on a monthly basis (before the 10<sup>th</sup>) and must be authorized by the supervisor (delegations);
- 4.4.6 Employees participating in the vehicle allowance scheme will not be entitled to official parking facilities as result of their participation in this scheme, but will be dealt with in accordance with Council's Parking Policy.
- 4.4.7 The employee is responsible for insurance, repairs, maintenance, petrol and all other expenses incurred during the use of the vehicle, including traffic fines.

#### **4.5 INSURANCE**

- 4.5.1 The employee must supply proof of updated insurance to Council.
- 4.5.2 The employees shall be responsible for their own insurance.

#### **4.6 AVAILABILITY OF VEHICLES**

- 4.6.1 Participating in the scheme bind the employee contractually to provide his own transport in order to fulfill his duties as employee of Garden Route District Municipality;
- 4.6.2 If his vehicle breaks down and as a result is unavailable for use, it shall be the employee's responsibility to provide a suitable replacement vehicle at his own cost.

#### **4.7 TERMS AND CONDITIONS**

- 4.7.1 The employer and the employee hereby states that an employment relationship currently exist between the parties hereto;
- 4.7.2 The employee agrees and accepts the terms and conditions of this policy;
- 4.7.3 The failure of the employee to comply with this policy will be dealt with in terms of the disciplinary procedures;
- 4.7.4 The male refers to the female.

### **5. PROCESS**

#### **5.1 PROCEDURES FOR PARTICIPATION**

- 5.1.1 Human Resources enter into consultation with the employee regarding rules and regulations of the policy;
- 5.1.2 The head of department finance is responsible for the budgeting and reporting to the Municipal Manager.

- 5.1.3 The employee shall complete the Motor Vehicle Allowance Agreement and provide the following relevant information:
  - 5.1.3.1 Copy of valid driver's licence
  - 5.1.3.2 Copy of registration certificate
  - 5.1.3.3 Proof of insurance including insurance amount and value
  - 5.1.3.4 Other information requested by HR