



**LIMPOPO**

PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

**DEPARTMENT OF  
ROADS AND TRANSPORT**

**USE OF SUBSIDISED MOTOR TRANSPORT,  
MIDDLE MANAGEMENT SCHEME AND SENIOR  
MANAGEMENT SCHEME  
POLICY**

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## **1. INTRODUCTION**

Subsidized Motor Transport Scheme has been introduced to Provinces by the National Department of Transport per Transport Circular No. 1 of 1999 which was later amended per Transport Circular No. 5 of 2003. The Provincial Policy on Subsidized Motor Transport was developed to provide for a policy framework regarding the management of the subsidized transport system (Circular No. 10 of 2004)

The provision of a subsidized vehicle to an officer under these schemes is deemed as a work facility, which enables him or her to undertake essential and approved official journeys.

A motor allowance package allows for members on management levels 11 and above to have easy access to transport means while executing their official duties, hence the need for the allocation of monthly official traveling kilometers.

## **2. PURPOSE**

This document seeks to provide a framework within which management and control in respect of all categories of transport within the department can be conducted and to put in place, monthly traveling kilometer quotas for all departmental transport including subsidized vehicles (A & B), MMS and SMS.

## **3. LEGAL MANDATE**

- 3.1. Constitution of the Republic of South Africa Act 108 of 1996.
- 3.2. Public Service Act, 1994
- 3.3. Road Traffic Act, No 93 of 1996
- 3.4. Road Traffic Amendment Act, 1999 (Act 21 of 1999)
- 3.5. Public Finance Management Act,
- 3.6. Treasury Regulations issued in terms of the PFMA
- 3.7. National Transport Circular No. 4 of 2001
- 3.8. National Transport Circular No. 5 of 2003
- 3.9. Provincial Policy on Subsidized Transport Circular No 10 of 2004
- 3.10. DPSA Circular No. 2 of 2005

#### **4. RESPONSIBILITY**

The Accounting Officer/The Head of Department or his/ her delegate in the Department of Roads and Transport has a responsibility to take effective and appropriate steps to ensure that efficient, effective and economic use of government resources.

#### **5. POLICY STATEMENT**

The Department of Roads and Transport as the custodian of policy on the management and control of Government Owned and Subsidized:-

- 5.1. Regards Government owned and subsidized transport as working tools for effective service delivery that should be safe-guarded to prevent any possible misuse and abuse including of the systems applicable.
- 5.2. Strives to ensure efficient, effective and optimal utilization of all transport schemes in the department and the Province at large.

#### **6. APPLICATION**

This policy applies to all officials (irrespective of rank) within the department of Roads and Transport who participate within the following transport schemes:

- 6.1. Subsidized Motor Transport (Scheme A& B)
- 6.2. Middle Managers Scheme
- 6.3. Senior managers' Scheme

The policy also applies to all District Senior Managers, Transport Officers Head Office and Districts, Institutional Transport Controlling Officers who are entrusted with the responsibility of implementing the provisions of this policy.

## PART A

### 7. SUBSIDISED MOTOR TRANSPORT (SCHEME A & B)

#### 7.1. SCHEME A

##### 7.1.1. QUALIFYING CRITERIA

Officials qualify for the allocation of a subsidized vehicle under this scheme if they travel for job related purpose a minimum of 21000 km and not exceeding a maximum of 29 000km per annum.

##### 7.1.2. UTILISATION PERIOD

The official utilization period of a subsidized vehicle is from a minimum period of 32 months to a maximum of 48 months, covering a life span of 160 000 km.

A	B	C	D	E
Contract period in Months	Total contract KMS/ Distance	Standard KMS/Distance (Official and Private)PM (B/A)	Standard Private KMS P.M =30%	Standard Official KMS P.M = 70%
32	160,000	5,000	1,500	3,500
36	160,000	4,444	1,333	3,111
42	160,000	3,810	1,143	2,667
48	160,000	3,333	1,000	2,333

Trip authorization shall be obtained prior to a trip being undertaken. Such authorization shall be in terms of the departmental delegation of authority. Kilometers traveled shall be completed on a point to point description in the logbook.

**Officials have a contractual obligation to cover the predetermined kilometer quota. Any underutilization of vehicles is a breach of contract and may result with the termination of the officials' contract. Unauthorized official kilometers traveled in excess of contracted monthly kilometers will not be paid and such kilometers will be regarded as private.**

### **7.1.3. INSPECTION OF SUBSIDISED VEHICLES**

Official using subsidized vehicles under scheme A shall avail their vehicles for monthly physical inspection and odometer reading verification to institutional transport officers before payment of claims can be effected.

Travel claims that do not have a certificate of correctness by the checking officer from the institution level shall not be processed for payment.

### **7.1.4. SUBMISSION OF LOGSHEET**

Log sheet claims shall be submitted on or before the seventh of each month for capturing and payment. None submission of log sheets in access of two months shall result in non-payment of such claims. However, such kilometers shall be credited to the official's kilometers.

## **7.2. SCHEME B**

### **7.2.1. QUALIFYING CRITERIA**

Officials qualify for the allocation of a subsidized vehicle under this scheme if they travel for a job related purposes for a maximum of 21000 km per year. The official interested in participation in this scheme shall maintain a suitable and reliable vehicle for use on official trips.

### **7.2.2. UTILISATION PERIOD**

The official utilization period of a subsidized vehicle is determined by the department taken into account the availability of funds. The official will be remunerated on the rates which fall under "private on official" c/km only for actual official kilometers traveled, but not exceeding 1750 kilometers per month.

## **7.3. PRIVATE OWNED MOTOR TRANSPORT**

The Head of Department may authorize the use of a privately owned motor transport on official duty, where it is cost effective to do so, in terms of paragraph 2 (vi) of transport circular no. 4 of 2000.

**The distance allowance payable shall not exceed 2500 km per month.**

## PART B

### 8. MIDDLE MANAGEMENT TRANSPORT SCHEME (MMS)

Officials on salary level 11 and 12 who do not take part in scheme A of the subsidized motor transport system are allowed to structure their salaries and have motor car allowance as part of their remuneration package.

8.1. Members who structure their salaries for a motor vehicle allowance in terms of MMS dispensation are required to:-

8.1.1. Maintain a suitable and reliable vehicle for use on official trips

8.1.2. Complete a trip authorization form that should be pre-approved by the responsibility managers in line with the Departmental delegation of authority

### 8.2. ALLOCATION OF MONTHLY OFFICIAL KILOMETERS FOR VEHICLES ON MMS

Official kilometers allocated to officials on MMS Scheme are as follows:

Chief Directorate	Head Office	District
Roads Maintenance	2500 km	2500 km
Public Transport	2500 km	2500 km
Road Traffic and Safety	2500 km	2500 km
Internal Support	2500 km	2500 km
Corporate Services	2500 km	2500 km
Finance	2500 km	2500 km
GITO	2500 km	2500 km

The claiming of monthly assigned official kilometers under this scheme will be from kilometer one as determined by the National Department of transport.

**NB: Any traveling in excess of monthly assigned km must be pre-authorized by the Head of Department or his/her delegate. Access kilometers traveled without pre authority shall be regarded as private and no payment shall be effected on them.**

### 8.3. SUBMISSION OF LOG SHEETS FOR PAYMENT

Officials participating on MMS shall submit their log sheets claims together with the trip authorization to the Transport officer on or before the 7<sup>th</sup> of each month.

Vehicles under this scheme may not be inspected monthly as they are privately owned.

## PART D

### 9. SENIOR MANAGEMENT TRANSPORT ALLOWANCE (SMS)

#### 9.1. QUALIFYING CRITERIA

Officials on salary level 13 and above are entitled to structure their salaries and have motor car allowance as part of their remuneration package.

Members who structure their salaries for a motor vehicle allowance in terms of SMS dispensation are required to maintain a suitable and reliable vehicle for use on official trips

#### 9.2. Official traveling kilometers are allocated as follows:

Chief Directorate	Head Office	District
Roads Maintenance	4500 km	4500 km
Public Transport	4500 km	4500 km
Road Traffic and Safety	4500 km	4500 km
Internal Support	4500 km	4500 km
Corporate Services	4500 km	4500 km
Finance	4500 km	4500 km
GITO	4500 km	4500 km

The claiming of monthly assigned official kilometers under this scheme will be the total kilometers traveled less the first 500km as determined by Department of Public Service and Administration.

**NB: Any traveling in excess of monthly assigned km should be pre- authorized by the Head of Department or his/her delegate.**



**9.3. SUBMISSION AND PAYMENT OF TRAVEL CLAIMS**

- 9.3.1. SMS members shall submit their authorized claims for payment to the Transport officer on or before the 7th of each month.
- 9.3.2. Vehicles under this scheme may not be inspected monthly as they are privately owned.
- 9.3.3. The payment of fuel claims will be processed within seven (7) working days upon receipt.

**10. POLICY REVIEW**

This policy will be reviewed annually in order to meet new changes in service delivery.

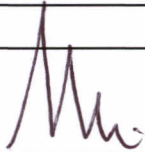
**ENDORSED**

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**HEAD OF DEPARTMENT**

18/02/09  
**DATE**

Note: This policy document is a blue print of the original policy that was approved by MEC Justice Piitso on 15.02.08.