

# ESSENTIAL VEHICLE USER SCHEME POLICY



**O.R. TAMBO  
DISTRICT MUNICIPALITY**

## **PURPOSE OF THE SCHEME**

The purpose of the scheme is to-

- assist those employees of the municipality who are required to supply and use a vehicle for the proper performance of their functions, exercise of their powers and discharge of their duties to acquire a vehicle and
- fairly compensate employees who use their privately owned vehicles on the official business of the municipality for the cost incurred by them.

## **PARTICIPATION IN THE SCHEME**

- The incumbent in a position identified must supply and use a vehicle for the proper performance of her/his functions, exercise of her/his powers and discharge of her/his duties.
- The incumbent in a position referred to is entitled to participate in this scheme, subject to the terms and conditions stipulated here-in.
- The following persons must supply and use a vehicle for the proper performance of their functions, exercise of their powers and discharge of their duties:
  - Any position below Director level up to Task Graded 15
  - The incumbent in any position who is required to regularly travel on the official business of the municipality and designated by the Municipal Manager after consultation with the relevant departmental head and the manager responsible for financial management.

## **STRUCTURE OF THE SCHEME**

The scheme consists of two parts, namely-

- A fixed monthly travelling allowance and
- A variable travelling allowance

## **CALCULATION OF TRAVELLING ALLOWANCES**

The fixed monthly travelling allowance will be R5000.00 for a sedan and R7000.00 for an SUV irrespective of engine capacity or cost price of the vehicle.

The variable travelling allowance to which a participant is entitled is calculated as follows:

$E \times F = G$   
where-

E represents the total running cost for a vehicle with an engine capacity of 2000 cc reflected in Table B . Petrol: Estimated average running cost+published from time to time by the Automobile Association of Southern Africa

F represents the number of kilometres travelled on approved journeys within the municipal area by a participant during any month in addition to the number of kilometres in respect of which she/he receives a fixed travelling allowance and/or on approved journeys on the official business of the municipality outside the municipal area and

G represents the total variable travelling allowance of a participant during any month.

H the rates for claims must be improved and we recommend that Department of Transport rates should used