

CAR ALLOWANCE POLICY

Policy: CAR ALLOWANCE POLICY	Effective Date:
Approved:	Review Date: 31 March 2020

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.

1. SCOPE

1.1 The policy applies to all employees receiving a car allowance from the municipality

1.2 Section 57 employees will ensure that they provide for a minimum car allowance equal to at least Level 1 as stipulated in this document within their total remuneration package.

2. POLICY ADMINISTRATION

Responsibility and authority to implement this policy is with the Municipal Manager or his delegated officials.

3. BUSINESS TRAVEL

Business travel is defined as:

3.1 Traveling anywhere within the Nketoana boundaries excluding trips to and from their stationed workplace and home.

3.2 It includes any authorized travel outside the boundaries of Nketoana

4. ELIGIBILITY

4.1 Car allowance, on authorized posts, is based on the kilometers (km) traveled per month as follows:

- Post Level 1 950km per month
- Post level 2 750km per month
- Post level 3 650km per month

4.2 Calculation is done based on the value of the car and the engine capacity multiply by the km (kilometers) per month on the said level of appointment. Allowances will only be calculated to the maximum of the said official's annual salary.

- 4.3 All employees whose jobs require continuous extensive traveling will submit their request to the Municipal Manager, who will investigate and allocate appropriate kilometers to that post, not necessary in accordance with the above levels.
- 4.4 Employees who are receiving a car allowance will not claim kilometers traveled within the Nketoana Local Municipality's boundaries.
- 4.5 Car allowances will be taxed in accordance with the applicable legislation.
- 4.6 Employees receiving a car allowance will keep a detailed log book.
- 4.7 Employees receiving a car allowance will not be allowed to make use of Council vehicles or be transported with such vehicles unless authorized by the Municipal Manager per specific event or as prescribed by legislation.
- 4.8 Employees will ensure that the vehicle purchased is a practical vehicle relating to the duties of the post.
- 4.9 Car allowance vehicles will be used at all times and be available should the need arise.
- 4.10 Car allowance will only be paid to a vehicle registered to the specific employee and such owner must supply proof of ownership at least once per annum and physical identification will be done at least once in the financial year by the employer
- 4.11 Specific vehicles such as traffic, security, safety, etc., that are under the car allowance scheme, must comply with the national legislation relating to such vehicle. The Employer is responsible to provide the required identification markers, lights, etc. required for these vehicles.

5. VEHICLE MAINTENANCE

- 5.1 Vehicle owners are responsible for all maintenance and regular servicing, at least once per annum of their vehicles. Proof must be supplied at least once per annum.
- 5.2 Comprehensive insurance will be taken out on the specific vehicle to ensure timely repairs/replacement in case of damage. Refusal to do so will result in the termination of the car allowance after 30 days if such vehicle is not available to perform the required duties. Proof of such insurance must be submitted at least once per annum.

6. TRAFFIC OFFENCE

Fines and other traffic infringements are the responsibility of the driver and will not be paid by the Council.

7. THEFT OF PROPERTY FROM VEHICLES

7.1 Valuable items such as laptops, handbags, etc. must not be left unattended in a vehicle.

7.2 If it is unavoidable circumstances that items must be left unattended in a vehicle, it must be done in accordance with the insurance cover stipulations.

7.3 The Council will not be held responsible for any such loss and/or damages incurred except if such equipment is the property of the Council and the above stated criteria was adhered to.

8. AUTHORITY

Formulation Policy : Director Corporate Services

Authorization Policy : Council

Maintenance Manager : Manager Human Resource